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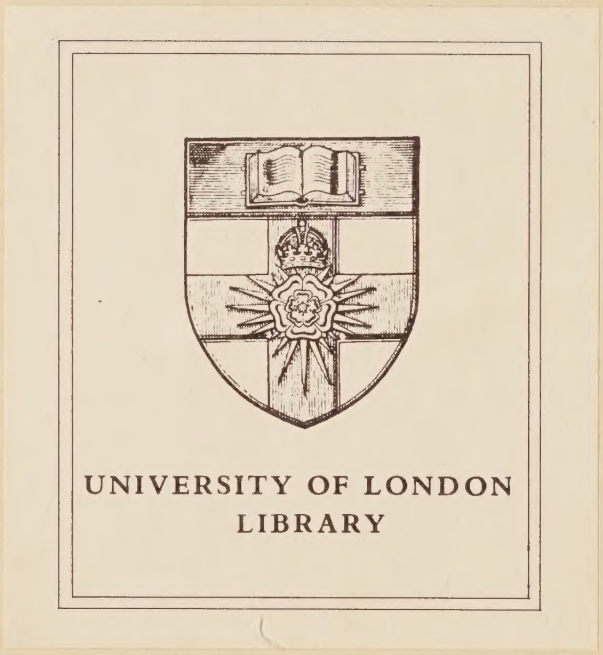

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ACCOUNTS AND PAPERS:

FORTY-FOUR VOLUMES.

—(33.)—

COMMERCIAL REPORTS;

COMMERCIAL AND GENERAL INTERESTS, &c.

Session

11 *February* 1890 —— 18 *August* 1890.

VOL. LXXIII.

1890.

ACCOUNTS AND PAPERS:

1890.

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THIRTY-THIRD VOLUME.

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(UNITED STATES.)

FURTHER REPORTS

ON THE

STATUS OF ALIENS AND FOREIGN COMPANIES

IN THE

UNITED STATES.

[In continuation of "Commercial No. 14 (1888):" C. 5579.]

Presented to both Houses of Parliament by Command of Her Majesty.
March 1890.

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Further Reports on the Status of Aliens and Foreign Companies in the United States.

[In continuation of "Commercial No. 14 (1888):" C. 5579.]

Sir J. Pauncefote to the Marquis of Salisbury.—(*Received March 5.*)

My Lord, *Washington, February 21, 1890.*

WITH reference to your Lordship's despatch of the 25th November last, I have the honour to forward herewith despatches which I have received from Her Majesty's Consuls in the United States, reporting on the changes which have occurred in the States and Territories within their Consular jurisdiction in the Laws affecting the status of aliens and alien Corporations since the last Report on the subject was written.

There appear to have been very few changes made since 1886.

I have, &c.

(Signed) JULIAN PAUNCEFOTE.

Inclosure 1.

Consul-General Booker to Sir J. Pauncefote.

Sir, *New York, January 7, 1890.*

I HAVE the honour to acknowledge the receipt of your Circular of the 20th December last, and to report, in response to the request contained therein, that there have been no changes in the Laws of the States within my Consular jurisdiction, comprising the States of New York, New Jersey, Delaware, Connecticut, and Rhode Island, affecting the status of aliens and alien Corporations since my Report to Sir Lionel West on the 27th October, 1886.

I have, &c.

(Signed) WM. LANE BOOKER.

Inclosure 2.

Consul Henderson to Sir J. Pauncefote.

Sir, *Boston, December 28, 1889.*

IN compliance with the instructions in your Circular despatch of the 20th instant I have the honour to report that the following Laws, having reference to the status of alien Corporations (none having been enacted in regard to individual aliens), have been added to the Statutes of the States of Massachusetts, New Hampshire, and Maine, subsequently to the year 1886.

In Massachusetts, an Act (chap. 321 of the 10th May, 1888), entitled, "An Act authorizing foreign Manufacturing Corporations to hold Real Estate in this Commonwealth," which provides that manufacturing Corporations established under the Laws of other States may purchase and hold such real estate in the Commonwealth as may be necessary for conducting their business.

In New Hampshire, an Act (approved the 7th June, 1889) which provides that all manufacturing Corporations not established under the Laws of the State, doing or which

may hereafter do business therein, may acquire, purchase, hold, or convey real estate and other property.

In Maine, an Act (chap. 166 of 1889) which provides that foreign Corporations doing business continuously in the State, and having constantly an officer or agent resident therein, shall be entitled to all provisions of law relating to limitation of actions, the same as domestic Corporations.

In Vermont, whose Supreme Court has held that the right to interfere with aliens holding real estate in the country belongs to the National and not to the State sovereignty, no Laws affecting aliens have been passed since 1886, but it may not be out of place here to cite a Resolution (No. 123 of 1886) agreed to by the State Legislature, to the effect that the State Senators and Representatives in Congress be requested to give their early attention to the fact of the acquirement and possession by aliens of vast tracts of public lands in the country, and to labour for such legislation as may arrest the evil.

I have, &c.
(Signed) C. A. HENDERSON.

Inclosure 3.

Consul Segrave to Sir J. Pauncefote.

Sir, *Baltimore, January* 4, 1890.

IN reply to your Circular despatch of the 20th ultimo, I have the honour to report to you that, within my knowledge, no alterations have taken place in the Laws affecting the status of aliens within this Consular district since the date of my last Report on this subject.

I have, &c.
(Signed) W. F. SEGRAVE.

Inclosure 4.

Acting Consul Harriss-Gastrell to Sir J Pauncefote.

Sir, *Chicago, February* 10, 1890.

IN reply to your despatch of the 20th December last, I have the honour to inform you, after due inquiry, that, as far as I can ascertain, no change has taken place in the Laws affecting aliens within this Consular district.

I have, &c.
(Signed) J. P. HARRISS-GASTRELL.

Inclosure 5.

Consul Donohoe to Sir J. Pauncefote.

Sir, *San Francisco, February* 5, 1890.

I HAVE the honour to acknowledge the receipt of your Circular of the 20th December last, instructing me to make a Report as to what, if any, changes have been made in the Laws of the States within my Consular jurisdiction as to the status of aliens and alien Corporations since the Report from this Consulate made on the 25th October, 1886.

I have the honour to annex a Report on the subject for the States of California, Nevada, and Washington, and territories of Idaho and Utah. The Governor of Arizona informs me that there are no legal discriminations against aliens in that territory.

I inclose a copy of a despatch from Vice-Consul Laidlaw, of Portland, as to a change in the insurance Laws as affecting alien Corporations.

I have, &c.
(Signed) DENIS DONOHOE.

Inclosure 6.

Laws relating to Aliens and Alien Corporations.

California.—No changes since October 1886.

Nevada.—Any non-resident alien, person, or Corporation may take, hold, and enjoy any real property or any interest in lands upon the same conditions as any resident citizen.

N.B.—No restrictions, except that aliens who have not declared their intention to become citizens cannot obtain mines, &c., by patent from the State.

Idaho.—The Revised Statutes of this territory contain no Statute as to the rights of aliens to convey real property. The "Alien Land Act" of Congress of the 3rd March, 1887 (which see), obtains in this territory, and prescribes and defines the rights of aliens.

Utah.—Aliens take by descent as if citizens, and may be inherited from as if citizens; but if a non-resident alien shall fail to appear and claim succession within five years after the death of the person to whom he claims succession, the Probate Court may cause the property to be reduced to the possession of the territory, or cause the same to be sold and the proceeds deposited in the territorial Treasury for the benefit of such non-resident alien or his legal representative, to be paid to him whenever, within five years after such deposit, proof to the satisfaction of the Probate Court is produced to the County Clerk that he is entitled to succeed thereto. If no one succeeds to the estate or the proceeds, it or they escheat to the territory for benefit of Public School Fund.

Aliens are prohibited from acquiring, holding, or owning real estate in Utah, or any interest therein, except such as may be acquired by inheritance or in good faith in the ordinary course of justice in the collection of debts created prior to the 3rd March, 1887. See "Alien Land Act" of Congress of the 3rd March, 1887, for further provisions and restrictions. This Act obtains in Utah.

Washington.—Washington has just been admitted to the Union as a State. As a territory the "Alien Land Act" obtained.

The Legislature at its coming Session will probably pass some legislation on the subject.

The Code of Washington (passed when it was a territory) provided that:—

"Any alien" (except Chinamen) "may acquire or hold lands, &c., by purchase, devise, or descent, may mortgage, convey, or devise the same, and if he dies intestate the same descends to his heirs.

"Any alien (except as above), whether a resident of this territory or not, may construct, lease, use, sell, or purchase any railroad or bridge within the territory, and enjoy the same powers and privileges that resident citizens now have or may hereafter acquire." (Code, §§ 19, 24, 2420.)

Of course, these provisions were modified by the passage of the "Alien Land Act" by Congress. Now that Washington is a State the "Alien Land Act" ceases to apply, and, until further legislation, the sections of the Code cited above would obtain.

Inclosure 7.

Vice-Consul Laidlaw to Consul Donohoe.

Sir, *Portland, January* 8, 1890.

WITH reference to your inquiry as to the status of aliens and alien Corporations resident or carrying on business within the State of Oregon, I have to report that there has been no change made in the Laws as to the status of aliens since my Report of the 7th October, 1886.

There have been some changes made in the insurance Laws, and I inclose a pamphlet published by the Secretary of State embracing these changes.*

The Acts of 1887 and 1889 provide that a certificate must be obtained from the Secretary of State, who is *ex officio* Insurance Commissioner, before any Company, alien or otherwise, can transact an insurance business. Also that the deposit of 50,000 dollars heretofore required may be made in "interest-bearing bonds of the United States, or in bonds of the State of Oregon, or any municipal, school, district, or county bonds issued by authority of law in the State of Oregon, the market value of which is at or above par, or bonds or notes secured by first mortgage upon

* Not printed.

unencumbered real estate within the State of Oregon of double the amount loaned thereon, or money of the United States. It is also provided that in lieu of such deposit, any foreign Corporation may make an investment in real estate within the State of Oregon of the value of not less than 65,000 dollars, provided such investment shall be approved by the Insurance Commissioner. The title to such real estate to be vested in the State Treasurer as Trustee for the Corporation making such investment."

No Insurance Company organized outside of the State of Oregon can do business unless it proves to the Insurance Commissioner that it has an unimpaired cash capital of at least 200,000 dollars, and must file with him a power of attorney authorizing a citizen and resident of the State to make and accept service in any Court. No Company not incorporated in the United States can transact an insurance business in this State (except marine insurance) unless it has deposited or invested for the benefit of its policy-holders in the United States in at least one State a sum equal to 200,000 dollars in excess of its liabilities in the United States. This is in addition to the 50,000 dollars deposited with the State Treasurer.

So far as I can ascertain, there have been no further changes in the Laws affecting alien Corporations.

I have, &c.
(Signed) JAMES LAIDLAW.

Inclosure 8.

Consul Clipperton to Sir J. Pauncefote.

Sir, *Philadelphia, February* 4, 1890.

I BEG to acknowledge the receipt of your Circular despatch of the 20th December last, requesting that further report be made with regard to the Laws in force in the various States and territories of the United States, so far as they respectively affect the status of aliens and alien Corporations resident or carrying on business within their limits.

It would appear, so far as this Consular district is concerned, that since the last Report from this Consulate, in 1886, there have been no changes in the Laws upon this subject in the States of Pennsylvania, Ohio, Indiana, and Michigan.

I have, &c.
(Signed) ROBT. CHAS. CLIPPERTON.

Inclosure 9.

Consul Cridland to Sir J. Pauncefote.

Sir, *Charleston, January* 11, 1890.

WITH reference to your Circular despatch of the 20th ultimo, requesting me to furnish you with a Report as to what, if any, changes have been made in the Laws within the States of this Consular district affecting the status of aliens and alien Corporations since the Report furnished in 1887, I have the honour to state that after due inquiry in the four States, I find that the only additional Law passed on the subject has been in Georgia, a copy of which I beg to inclose herewith.

I have, &c.
(Signed) FREDERICK J. CRIDLAND.

Inclosure 10.

BONDS OF CORPORATIONS.

Record by Secretary of State of Georgia.

(No. 1679.)

ALL public and private Corporations must have a record made by the Secretary of State of every issue or indorsement of bonds for circulation. The circulation of unrecorded bonds is forbidden under a penalty of 500 dollars for each bond.

Inclosure 11.

Consul Lyall to Sir J. Pauncefote.

Sir, *Galveston, December* 28, 1889.

I HAVE the honour to acknowledge the receipt of your inclosure, dated the 20th December, containing a Circular and Reports respecting "Alien Laws" in force in (United States) States and territories. With reference to "further information" on this subject being demanded, I would respectfully submit that no changes have been made in the Laws of the States within my Consular jurisdiction since my last Report was written, and that no disabilities are, in consequence, at present inflicted on aliens and alien Corporations in Texas and New Mexico.

I have, &c.
(Signed) WALTER T. LYALL.

Inclosure 12.

Consul de Fonblanque to Sir J. Pauncefote.

Sir, *New Orleans, January* 6, 1890.

REFERRING to your Circular of the 20th December, 1889, I do not find that any Laws have been passed in the States comprising this Consular district affecting the status of aliens or of alien Corporations since my last Report on this subject.

I have, &c.
(Signed) A. DE J. DE FONBLANQUE.

COMMERCIAL. No. 13 (1890).

(UNITED STATES.)

FURTHER REPORTS on the Status of Aliens and Foreign Companies in the United States.

[In continuation of "Commercial No. 14 (1888)," C. 5579.]

Presented to both Houses of Parliament by Command of Her Majesty. March 1890.

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COMMERCIAL. No. 21 (1890).

REPORTS

FROM

HER MAJESTY'S DIPLOMATIC AND CONSULAR OFFICERS ABROAD

ON THE

REGULATIONS AT THE PLACES WHERE THEY RESIDE

RESPECTING THE

AMBULANCE TRANSPORT OF CIVILIAN SICK.

Presented to both Houses of Parliament by Command of Her Majesty.
August 1890.

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Reports from Her Majesty's Diplomatic and Consular Officers abroad on the Regulations at the places where they reside respecting the Ambulance Transport of Civilian Sick.

Circular addressed to Her Majesty's Representatives at Vienna, Copenhagen, Paris, Berlin, Rome, Stockholm, St. Petersburgh, and Washington.

My Lord,
Sir, *Foreign Office, March* 25, 1890.

I HAVE to request you to report to me upon the means adopted in the capital at which you reside for the ambulance transport of civilian sick and injured from their homes or the place of injury to the hospitals, or from the place of injury to their own homes. This information is required for presentation to Parliament.

I am, &c.
(Signed) SALISBURY.

Circular addressed to Her Majesty's Consular Officers at Baltimore, Boston, Chicago, Florence, New Orleans, New York, Philadelphia, and San Francisco.

Sir, *Foreign Office, March* 25, 1890.

I AM directed by the Marquis of Salisbury to instruct you to report to his Lordship upon the means adopted at for the ambulance transport of civilian sick and injured from their homes or the place of injury to the hospitals, or from the place of injury to their own homes. This information is required for presentation to Parliament.

I am, &c.
(Signed) JAMES FERGUSSON.

Replies from Her Majesty's Diplomatic Representatives abroad.

AUSTRIA.

No. 1.

Mr. Phipps to the Marquis of Salisbury.—(Received May 2.)

My Lord, *Vienna, April* 29, 1890.

WITH reference to your Lordship's Circular despatch of the 25th ultimo, I have the honour to inclose herewith a Memorandum on the organization of the Volunteer Humane Society of Vienna, which has been established for the assistance and transporting of civilian sick and injured in this metropolis.

The latest Annual Report of the Society for the year 1888 is also inclosed.*

I have, &c.

(Signed) E. C. H. PHIPPS.

Inclosure in No. 1.

Memorandum.

THE Volunteer Humane Society of Vienna ("Wiener Freiwillige Rettungs-Gesellschaft") was established after the burning of the Ring Theatre in 1881. It is supported entirely by voluntary contributions, and its services to the public are given gratis. Its sphere of operations is limited to the police area of the metropolis.

In cases of fire the Society can count upon the assistance of a Volunteer Fire Brigade, consisting of nearly 400 men, and furnished with a steam fire-engine and the necessary apparatus. It also commands the services of 200 trained watermen, with boats and the newest appliances for saving life.

Two hundred and twenty-one doctors and one hundred

* Not printed.

volunteer assistants (all medically educated) are at the Society's disposal.

During the last eight years there have been 12,159 cases of illness and injuries treated, and 24,000 sick transported, altogether 36,159 cases dealt with by the Society. It has rendered assistance on 2,139 separate occasions at fires, railway accidents, &c., and on 1,467 occasions it erected temporary ambulances at places of public resort.

The Society owns twenty ambulance waggons for the transport of sick and wounded, together with a large number of other vehicles and sanitary appliances.

Twenty-five doctors, whose residences are distinguished by coloured lamps, have given their services gratuitously to the Society for night work. Their addresses are published in a handbook containing a list of telephone numbers and the places, such as police stations, theatres, tramway offices, &c., where stretchers are to be had; also the names and addresses of the Sanitary Assistants ("Sanitäts Männer"). The Society requests that the telephone may be employed for communicating with its officials as being more expeditious than the telegraph.

Although the Society limits itself to dealing with cases of illness, accidents, &c., which occur in the streets of Vienna and in public places, exception is made when the civil or military authorities require assistance; if a medical man sends a certificate stating that a patient requires to be immediately transported to a hospital. Cases of ordinary infectious disease are, however, not transported by the Society, but an exception is made in view of an epidemic of cholera, in which event a special service of ambulances would be organized.

Cases of mental disease are transported, when necessary, in specially-constructed vehicles.

Two ambulances by day and one by night, with the horses put to, are kept in readiness at the central station.

Dead bodies found in the streets are not removed by the Society until the police authorities have been communicated with.

The members of the Society are divided into six classes:—

1. Founders, who have given a donation of at least 1,000 fl. at one time.

2. Promoters, who have given a donation of at least 500 fl. at one time.

3. Patrons, who have given a similar contribution of less amount than 500 fl., but not less than 50 fl.

4. Subscribing members, who contribute not less than 10 fl. annually.

5. Active members, paying no subscription, giving their services gratis.

6. Honorary members, elected by the Committee.

At present there are 904 active and 1,132 non-active members of the Society.

The Society receives no pecuniary assistance from the State or the Municipality. According to the Statement of Accounts

published for the year 1888 its income was derived from the following sources:—

	Fl.	kr.
Subscriptions of members, donations, &c.	38,513	39
Donation from the Emperor	1,600	00
Sale of lottery tickets	16,465	00
Sale of tickets for a public ball	5,373	00
The Industrial Exhibition of 1888 contributed ..	6,500	00
Proceeds of open-air fête in the Prater	1,200	00
Interest on invested money	232	80
Total	69,884	19

The expenditure amounted to 69,731 fl. 13 kr., leaving a balance in the Society's favour of 341 fl. 26 kr.

DENMARK.

No. 2.

Mr. MacDonell to the Marquis of Salisbury.—(Received April 25.)

My Lord, *Copenhagen, April 23, 1890.*

WITH reference to your Lordship's Circular despatch of the 25th ultimo, I have the honour to transmit to your Lordship herewith, in translation, an extract from a letter received at this Legation from the Director of the Copenhagen Police, with the original inclosures to the same,* relating to the system of ambulance transport, &c., in use in this capital.

I have, &c.

(Signed) H. G. MACDONELL.

Inclosure in No. 2.

Extract from a Letter from the Director of Police, dated Copenhagen, April 21, 1890.

(Translation.)

ACCORDING to the instructions for the Executive Police of Copenhagen, it is the duty of the police patrol, in cases where any individual is attacked by illness in the streets, or is otherwise found

* Not printed.

to be in a helpless condition, to render immediate assistance, and, if necessary, take steps to call medical aid to the spot as soon as possible, or else to have the person carried either home or to the hospital. This instruction is of daily application in cases of sickness or injury in the streets, the persons being in most instances conveyed to the various hospitals of the town, the usual means of conveyance being cabs.

In the year 1886 there was founded in the town by a number of private individuals the Society known as "The Society of Medical Watch Stations," the object of which is to insure to the inhabitants access to medical help in the night-time, when occasion may require, and to provide materials for temporary surgical appliances, and for the convenient transport of injured persons, whether by day or night. This Society caused to be established in April 1887, with the consent of the police, cases of bandages and provisional surgical appliances in the seven police stations of the town, as well as an ambulance stretcher, constructed after the model of those used in the army; and later, in some of the police stations, a hand-cart for the transport of injured persons. As, however, both stretcher and hand-cart were found to be unsuitable, and therefore were seldom used, the Society resolved to attach an ambulance carriage to every police station. Such carriages have accordingly been placed at two of the police stations in the inner town, and in the course of the present year it is anticipated that they will be supplied to the remaining stations. The horse to draw the carriage may be requisitioned from the nearest cab to be found, and the cabman is paid as for an ordinary course by the hour. The carriage can be summoned by telephone, either through the police wire, or through that of the Telephone Company, or through a private wire; and every police patrol carries in his note-book an instruction, drawn up by the Society, showing what telephones are handy to his beat for summoning the ambulance carriage.

As regards the conveyance of persons suffering from infectious ailments, it is under consideration by the Sanitary Commission of Copenhagen, of which the Director of Police is *ex officio* Chairman, whether it may not be better to absolutely forbid the transport by cabs or other public vehicles of individuals attacked with Asiatic cholera, dysentery, spotted typhus, chicken-pox, plague, scarlet fever, measles, diphtheria, or croup, but to insist, on the contrary, on their being conveyed in special invalid-carriages, which should be stationed at the hospitals, and at one or two other places in the town.

FRANCE.

No. 3.

Mr. Egerton to the Marquis of Salisbury.—(Received April 25.)

My Lord, *Paris, April 23, 1890.*

WITH reference to your Lordship's Circular despatch of the 25th ultimo, I have the honour to transmit herewith to your Lordship a Report, for which I am indebted to Mr. Lister, on ambulance transport in Paris.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 3.

Report on Ambulance Transport in Paris.

THE system of ambulances in Paris is entirely in the hands of the police. Paris is divided into twenty arrondissements, each one of which contains four police stations and a Commissariat de Police. A stretcher and a box of medical stores, necessary for the first dressing of a wound, is kept at each police station and at the Commissariat, and a list of directions as to the manner of treating various injuries is put up in each police station. Stretchers and boxes of medical stores are also kept at a certain number of Fire Brigade posts, at a certain number of guard-rooms of the Republican Guard, at all the cemeteries, and at some octroi posts. At any public fête or demonstration, where a large crowd is likely to be assembled, the police organize a special ambulance, known as an "ambulance volante." It consists of a doctor and two policemen, with a stretcher and a box of medical stores. The police possess in Paris 219 hand-stretchers, requiring from two to six men to carry them, and sixteen stretchers on wheels requiring only one man; these latter are kept at the central police station of each arrondissement.

In the event of a person receiving a slight injury in the street, the Gardien de la Paix takes him to the police station, or, if there is not one near enough, to a chemist's shop, and dispatches one of his colleagues to fetch the stretcher from the nearest police station; he is then conveyed home or to the hospital. If he is in a position to defray his own expenses, he does so, if not, they are paid by the Préfecture de Police.

Should the accident be of a more serious nature, the Gardien de la Paix telephones to the Hospital St.-Louis, the head-quarters of the "Ambulances Urbaines," and a special ambulance carriage,

one of which is always kept ready harnessed, provided with a stretcher, and containing the medical stores necessary for the first dressing of a wound, is at once dispatched, accompanied by a doctor, who conveys the injured person to the hospital or to his home.

The "Ambulances Urbaines" is a private philanthropic enterprise started at Paris two years ago, and recognized by the police as being of the greatest service. This Society operates in a radius of several arrondissements, which is being constantly enlarged. It has a private telephone, with thirty-five points of communication established in chemists' shops and police stations, the central office being the Hospital St.-Louis.

In the event of a person undergoing an injury in his own house, and wishing to be conveyed to the hospital, there is no organized system of ambulance transport; the police station will sometimes, on application, lend their stretcher, but in this case a regular report has to be made to the Préfecture de Police. If, however, a person falls ill at home of an infectious disease, and wishes to be taken to the hospital, the police at once communicate with the proper hospital, which sends an ambulance carriage to fetch the sufferer, and in the course of an hour provides for the disinfecting of the house.

(Signed) REGINALD LISTER.

Paris, April 23, 1890.

GERMANY.

No. 4.

Sir E. Malet to the Marquis of Salisbury.—(*Received April* 24.)

My Lord, *Berlin, April* 22, 1890.

WITH reference to your Lordship's Circular despatch of the 25th ultimo, requesting me to procure information respecting ambulance transport of civilians sick and injured in Berlin, I have the honour to transmit to your Lordship herewith a Report drawn up by Consul-General Bleichröder on the subject.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure in No. 4.

Consul-General Bleichröder to Sir E Malet

Sir, *Berlin, April* 19, 1890.

In accordance with your despatch of the 28th ultimo, I have the honour to transmit a translation of a Report upon the subject of ambulances received from the Police President of Berlin.

Persons injured or taken seriously ill in the public streets of Berlin are transported to their homes or to the nearest public Sanitary Institution ("Sanitätswache"), either by a litter provided with wheels ("Räderbahre") hereinafter described, or by transport vehicles, which are always kept in readiness by three private contractors, for the transport of sick from the place of injury to a hospital.

Persons afflicted in their homes, and who must be transported for admittance to a hospital, mostly appropriate the last-mentioned vehicle, which is invariably used for persons under the care of the police authorities or the Poor Administration, and, according to Regulation, should be applied for transportation to hospitals of such private persons who are afflicted with contagious diseases.

1. The litter provided with wheels ("Räderbahre") consists of a detachable upper part (the actual stretcher or litter), and of a lower part (rolling or wheeling device). The upper part is a chair-like litter, of which the back- and foot-rests are vertically and horizontally adjustable by means of toothed rods, the latter being arranged to extend and contract automatically when adjusted.

The front and rear ends of the seat are each provided with two iron carrying lever-arms, which are adapted to be pushed into the frame of the seat when not in use. The front part of the carrying lever-arms is connected to the rear end by means of suitable hinges, and resumes a vertical position when not in use.

The back-rest and seat are caned, whereas the foot-rest is padded. At the rear of the back-rest a considerably bent, removable sliding-handle is arranged. Over the entire upper part is affixed a portable roof covered with water-tight canvas, by means of which the occupant of the ambulance is entirely protected from the effects of the weather; the rear end of the protective roof is also provided with a ventilating device.

The lower part of the vehicle consists of two iron wheels, having steel spokes, two elliptical springs, and a deeply-curved axle, and is also provided with two angle-irons, connected by a suitable hook, the latter being destined to receive and support the upper part of said vehicle; the wheels are clad with india-rubber tires. Attached to each of these angle-irons, by means of a chain, is a pin for fixing the actual litter to the lower part or frame. Double adjusting devices are provided for both the front and rear ends, which serve as a support for the lower part, and also to render the latter stationary when removing or replacing the litter. These supports are connected by a cord, and can be elevated by a

handle, so that they offer no hindrance during transport. The entire litter is lightly but firmly constructed, so that even invalids of considerable weight can be transported therein. The litter is constructed on the smallest possible scale in order to admit of ready progress up narrow staircases, and the axle of the lower part is curved to obviate the necessity of laterally removing the litter in places where space is confined; upon unfastening the connecting hooks of the two angle-irons, the attendant may easily step over the axle.

The litter so constructed is readily transportable, and is easily manipulated, so that a man not even possessing the average strength can maintain the same in motion without any exertion, and overcome the resistance offered by ordinary stone paving.

This Berlin litter corresponds essentially with the latest models of such conveyances. It is manufactured by C. Maquet, of No. 23, Friedrich Strasse, Berlin, according to suggestions from the police authorities, for street transport, and is constructed, with suitable alterations, for readily and comfortably removing sick and injured persons from narrow yards and houses having narrow and steep staircases.

For instance, the carrying lever-arms of the detachable upper part are shorter than those of other litters, and can be slid entirely into the frame of the seat after use. The litter is provided with an automatic extensible iron foot-rest, and the iron wheels are clad with india-rubber tires.

Besides this litter, which is considered the most complete up to the present time, there exist, in the centre of the city, similar conveyances made at the works of a Mrs. Speyer, at No. 14, Beuth Strasse. These vehicles are stationed at the Sanitary Institutions ("Sanitätswachen"), No. 21, Brüder Strasse, and at the Görlitz Railway Station; twenty litters of a more simple construction are also located in twenty police districts. In the year 1888 these tranports were in actual use about ten times altogether.

2. There are in use certain vehicles, yoked with horses, for the transport of civilian sick (ordinary cases), that is, for the conveyance of sick persons from their homes to the hospital. These vehicles are box-shaped, 2·10 metres in length, 1·80 metres in height, and 1·20 metres in width, thus allowing sufficient room for the invalid's chair, or the bed (hereinafter described), and leaving space for a seat to be erected in one corner of the box for the attendant or a friend of the patient's.

This said box or body of the vehicle rests on good pressure springs, which are arranged to revolve under the covered seat of the driver, and the wheels are generally clad with india-rubber tires.

The three contractors for ambulance transport, with whom the President of Police has entered into agreement, on account of the Police Regulations, for the conveyance of injured persons, are bound to provide a vehicle for ordinary sick persons, and one for those afflicted with contagious diseases; this last-mentioned vehicle should be located separately, and be provided with a special bed

having duplicate accessories and bed linen; and the latter must be properly cleaned after each use, according to the Police Regulations of the 7th February, 1887, concerning the method of disinfection in cases of contagious diseases.

For the use of better class families or persons, each contractor keeps, besides the prescribed vehicles, a more elegant conveyance, provided with finer linen and superior woollen rugs and bolsters. The fare charged for this vehicle is double the ordinary amount, *i.e.*, 20 marks (about 1*l.*), and is not used for transporting persons suffering from contagious diseases. One of the contractors has constructed this carriage in the shape of an extended landau

The beds are always constructed on the same principle: either as a basket on wheels, or generally an iron bedstead provided with cord or wire netting, and adjustable horizontally by means of hinged joints and toothed rods, so that the desired or necessary position may be given to the patient. The invalid is laid on this bed, of which the legs rest in spring recesses, and is thereupon placed in the conveyance.

In case your Excellency should desire to inspect the two institutions personally, or have them inspected, I beg respectfully to refer your Excellency to the firm of C. Maquet with reference to the litter, and to the contractor, M. Lück, No. 33, Kaiser Strasse, for the ambulance transport.

I have, &c.
(Signed) G. DE BLEICHRŐDER.

ITALY.

No. 5.

The Marquis of Dufferin to the Marquis of Salisbury.—(Received May 19.)

My Lord, *Rome, May* 13, 1890.

WITH reference to your Lordship's Circular despatch of the 25th March last, I have the honour to inclose translation of a note which I have received from the Italian Ministry for Foreign Affairs, giving information respecting the means employed in this capital for the transport of sick and injured persons to hospital or to their homes.

I have, &c.
(Signed) DUFFERIN AND AVA.

Inclosure in No. 5.

M. Damiani to the Marquis of Dufferin.

(Translation.)

M. l'Ambassadeur, *Rome, May* 12, 1890.

I HAVE received your note of the 29th March, and I have hastened to obtain the desired information, which is to the following effect.

With the exception of the military bodies, which have a special service of wheeled ambulance for the transport of the sick to the respective hospitals, and from these establishments to the barracks, no similar official organization exists at Rome under the control of the Government or the Municipal authorities for the benefit of civilians.

The whole is therefore confined to humanitarian and gratuitous work, which, with really noble zeal, has been undertaken by certain Societies, entitled the White, Red, Green, and Blue Cross, of which respectable citizens are members, and which are managed and controlled by private Regulations, and use special badges and countersigns in the exercise of their pious ministry.

Each of the Societies possesses places used as barracks and as places of meeting for the volunteers, where sedan chairs and litters for the transport of the sick and wounded are kept ready for every emergency.

When a disaster or accident is reported, the different posts of the Crosses to whom the news is brought hasten to the spot, and each contributes with the means at its disposal to bring aid to the suffering, either using the doctors of the Association for the first urgent assistance, or transporting the wounded to the nearest hospitals, where they are attended to.

The Municipal police and the officers of the "Pubblica Sicurezza" also take part in the work as far as they can, that is, they give prompt information to the doctors and to the Societies in slight cases which can be postponed, and in cases of serious wounds or accidents transport the sufferers in carriages, and accompany them to the hospitals.

Some Associations, moreover, undertake the duty of tending the sick in their houses, but this system is not very general, as the public has not yet become accustomed to it.

It is certain, however, that in cases of fires, floods, epidemics, and other public calamities these meritorious Associations lend every assistance, as also they are present as a preventative when there are great crowds or largely-attended meetings which might give rise to accidents.

In this way the organization of the above Societies, which arose spontaneously from private initiative, has risen so much in public estimation that it may be considered an official institution, recognized and appreciated by the Government and Municipal authorities, with which it acts in complete accord, each supporting the other as best it can.

I avail, &c.

(Signed) DAMIANI.

RUSSIA.

No. 6.

Mr. Gosling to the Marquis of Salisbury.—(Received July 7.)

My Lord, *St. Petersburgh, July 3, 1890.*

In reply to your Lordship's Circular despatch of the 25th March, requesting Her Majesty's Embassy to furnish a Report on the means adopted in St. Petersburgh for the ambulance transport of civilian sick and wounded, I have the honour to transmit herewith copy of a communication which I have at length received from the Russian Government on the subject.

I have, &c.
(Signed) AUDLEY GOSLING.

Inclosure in No. 6.

M. Vlangaly to Mr. Gosling.

(Translation.) *St. Petersburgh, June 20*
M. le Chargé d'Affaires, *(July 2), 1890.*

WITH reference to the notes from Her Majesty's Ambassador of the 1st (13th) May and the 4th (16th) June last, asking for information with regard to Regulations at St. Petersburgh respecting ambulances, I have the honour to acquaint you that there are no Regulations on this subject, and that for the purposes of conveying invalids in this capital special carriages are provided which belong to the ambulances for infectious diseases at the Obouchow Hospital.

I have, &c.
(Signed) A. VLANGALY.

SWEDEN.

No. 7.

Sir F. Plunkett to the Marquis of Salisbury.—(Received May 1.)

My Lord, *Stockholm, April 27, 1890.*

In reply to your Lordship's Circular despatch of the 25th ultimo, I have the honour to report that the carriage specially

used in Stockholm for the ambulance transport of sick and injured to the hospital, or to their own homes, can be summoned by a physician, or by his order, or by telephone, or in any other way, with or without the mediation of the police. The carriage, which costs about 100*l.*, has somewhat the appearance of a brougham, but is so constructed that the back opens to allow the introduction of a stretcher, with the feet of the patient under the box. One person can sit beside the stretcher, or, if the stretcher is not used, it can be folded away under the box, and then two persons can sit comfortably, while a third can be accommodated on the front seat. The carriage is lined with plain varnished wood, so that it may be easily cleaned, and is carefully disinfected after each time of using. During the winter the carriage is heated with a cylinder containing hot water.

Although Stockholm now numbers over 243,000 inhabitants, there seems to be as yet only one such carriage in use. There is, however, one smaller sick carriage, drawn by hand, at the central police station, and a stretcher at each of the nine district police stations into which the town is divided.

I have, &c.

(Signed) F. R. PLUNKETT.

UNITED STATES.

No. 8.

Sir J. Pauncefote to the Marquis of Salisbury.—(Received May 27.)

My Lord, *Washington, May* 16, 1890.

WITH reference to your Lordship's Circular despatch of the 25th March, I have the honour to inclose a communication which I have received from the Sanitary Officer of the Metropolitan Police of Washington, containing information as to the system of ambulance transport in force in this city.

I understand that Her Majesty's Consuls in the United States have sent their Reports on this subject direct to your Lordship.

I have, &c.

(Signed) JULIAN PAUNCEFOTE.

Inclosure in No. 8.

Mr. Frank to Mr. Herbert.

Department of Metropolitan Police, Sanitary Office,
Sir, *Washington, D.C., April* 14, 1890.

I HAVE the honour to acknowledge the receipt of your favour, bearing date of the 10th instant, requesting information respecting the operation of the police ambulance system of this city.

Replying thereto, I beg to state that upon communicating by telephone or otherwise with this office the ambulance will be immediately dispatched, or as soon thereafter as practicable, to any point designated to remove the sick or injured as follows:—

1. From homes to hospitals for treatment.
2. From any point on the streets when overcome by illness or injuries to either homes or hospital.
3. From any railway station or steam-boat wharf to either homes or hospital.
4. From residences or hospitals to railway stations or steam-boat wharves for removal to other cities, &c.

I am, &c.

(Signed) J. A. FRANK,
Sanitary Officer, Metropolitan Police, D.C.

Replies from Her Majesty's Consular Officers abroad.

BALTIMORE.

No. 9.

Acting Consul Brancker to the Marquis of Salisbury.—(Received May 8.)

My Lord, *Baltimore, April* 26, 1890.

I HAVE the honour to report, in reply to your Circular despatch of the 25th March, 1890, that the only means of transport for the sick and injured adopted in this city is by the police patrol waggons.

I have, &c.

(Signed) J. S. BRANCKER.

BOSTON.

No. 10.

Acting Consul Stuart to the Marquis of Salisbury.—(Received May 8.)

My Lord, *Boston, April* 29, 1890.

ON receipt of Sir James Fergusson's Circular despatch of the 25th ultimo, instructing Mr. Henderson to report to your Lordship upon the means adopted at Boston for the ambulance transport of civilian sick and injured from their homes or the place of injury to the hospitals, or from the place of injury to their own homes, I applied to Dr. Rowe, Superintendent and Resident Physician of the Boston City Hospital, for information on this subject; and, in reply, have been by him very courteously furnished with a Report thereupon, which, as it not only seems to explain the system adopted at Boston, but also compares it with the means adopted at other cities, and contains Dr. Rowe's opinion as an expert by long

experience of those matters, I have considered it best to use without alteration, and now have the honour to inclose to your Lordship a copy of the same.

I have, &c.
(Signed) W. H. STUART.

Inclosure in No. 10.

Report by Dr. Rowe on the means adopted at Boston for the Ambulance Transport of Civilian Sick and Injured.

THE ambulance system of the city of Boston is by no means the ideal system, and has yet much to be improved, not only to meet the requirements of the city, but to be properly systematized.

As to the facts, I beg to report as follows:—

There are in the city of Boston eight ambulances; at this hospital, two; Massachusetts General Hospital, one; Small-pox Hospital, one; Police Department, four. The ambulance for the Small-pox Hospital is used exclusively for the transfer of patients suffering with small-pox, and is never used for any other purpose whatsoever.

The ambulances at the Massachusetts Hospital (one) and at the City Hospital (two) are used exclusively for the carrying of patients to and from each hospital respectively.

Speaking for this hospital (Boston City Hospital), which practically covers the same ground as the Massachusetts Hospital, we use our ambulances almost exclusively for medical cases. The police ambulances are used almost exclusively for accident and emergency cases. Patients are transferred to and from this hospital, on request made either directly at the hospital itself, or by telephone or by telegraph. It is not to be understood that a City Hospital ambulance can be had by anybody by telephone, since such a method would result in imposition, by bringing to the hospital unsuitable cases. We are, however, fairly able to judge of requests that come by telephone as to whether they are proper cases to bring or not.

If we are in doubt, or the matter has an ambiguous look, we decline to send until application is made at our office.

A large amount of work is done in carrying patients from the hospital to their homes, to other public institutions or to hospitals, it being cheaper, in many cases, to give transportation than to retain them in the hospital.

We do not, with rare exceptions, allow our hospital ambulances to be used for private purposes, that is to say, for transferring patients from one point in the city to another, neither place being the hospital. The Massachusetts General Hospital, however, does ease its ambulances both to pay and free cases.

The police ambulances, for accidents and emergencies, are mostly placed in the crowded parts of the city, and may be had by personal application at the police station, or by telephone, or by the patrol signal-box, as it may be known our entire city is covered by a system of police signal-boxes, all having telephonic communications each with its own station. If an accident occurs, the policeman has only to go to the nearest box and telephone for an ambulance, and as a rule they are readily obtainable. From a long experience here I may state that, as a rule, the system works very well, and the hospital is not often imposed upon. Occasionally cases are brought in which do not seem to be serious enough to retain. All alcoholic cases which are doubtful are always retained, and so are obscure injuries to the head. During most of the last year we only had one ambulance, but now we have two. I insert in this place a copy of the proof-sheet of our Annual Report for 1889, which indicates the amount of work done by the hospital ambulance during the year.

RECORD of Ambulance Work.

Trips to—	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Total.
City proper	56	35	33	65	65	35	46	47	35	47	37	75	576
Roxbury	23	15	13	14	11	11	9	13	11	21	10	13	164
Dorchester	5	3	2	3	6	4	3	6	1	1	5	4	43
South Boston	18	8	11	13	23	24	27	19	15	27	15	16	216
East Boston	4	2	3	5	2	4	5	5	6	7	1	2	46
Charlestown	3	7	6	7	5	6	4	15	8	4	3	4	72
Jamaica Plain	2	7	...	1	1	1	3	1	...	2	...	4	22
Brighton	3	...	...	...	1	...	1	...	1	1	1	2	10
Neponset	3	...	...	1	2	1	...	...	...	...	...	...	7
Total	117	77	68	109	116	86	98	106	77	110	72	120	1,156
Brought extra	4	9	3	8	1	1	2	...	8	9	2	2	49
Did not come	3	2	1	4	...	3	1	3	1	2	3	2	25
Patients brought	118	84	70	113	117	84	99	103	84	117	71	120	1,180

WORK done in carrying Patients out.

Number of Trips.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Total.
To 14, Beacon Street	6	6	2	1	2	1	3	...	5	4	2	1	33
To their homes	8	8	2	...	11	4	9	4	2	7	1	3	59
To other hospitals	3	3	2	3	10	1	3	2	2	3	1	2	35
Carried extra	2	1	...	...	4	2	2	1	...	1	...	1	14
Patients carried	19	18	6	4	27	8	17	7	9	15	4	7	141

SUMMARIES.

	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.	Total.
Total of trips out	17	17	6	4	23	6	15	6	9	14	4	6	127
Whole number of trips	134	94	74	113	129	92	113	112	86	124	76	126	1,273
Total patients transferred	137	102	76	117	144	92	116	110	93	132	75	127	1,321

The deficiencies in our system are made apparent when compared with those existing in New York and Chicago, in which cities the ambulance systems are the best. They apply the same principles to the ambulance system that exist in regard to the fire system. The ambulances are stationed at certain fixed points, properly distanced according to density of population. The signal rings to the ambulance station, and by certain calls (in New York it is "22," followed by the number of the box); the ambulance starts with the same dispatch and speed usually used by the Fire Department. For accidents and emergencies this system is undoubtedly the best; but for medical cases it is quite unnecessary, and in some respects objectionable. A great deal of unnecessary transferring of patients from one place to another is rendered necessary by this system, but the advantages in emergencies overbalance the objections to this system as related to medical cases. In addition to the hospital and police ambulances, every station has a patrol waggon. Patrol waggons with us are open carriages capable of carrying eight policemen, and are used mostly for police work. They are, however, provided with stretcher and apparatus for carrying the sick or injured, to be used in emergencies, or where the ambulances are overworked; but it is very objectionable to have the sick carried in the same waggon which is used for criminals.

The City Hospital ambulances are for one horse only, and are of light weight, weighing but 1,150 lbs. They are free from much of the useless furnishings that are sometimes put upon ambulances. They are convenient, and cost about 625 dollars (say, 125*l.*). This seems a large price for such a waggon, but they are most thoroughly made, with special axles and springs, and are constructed with a view to strength and light weight. Two persons usually accompany an ambulance, one of whom acts as driver, and the other as attendant upon the injured person. The patient is in a basket, which is made of a light frame, with rattan cane sides and bottom, and is a convenient method to be used, except in narrow and winding stair-ways. For street work it is an excellent apparatus, and most comfortable for the patient. The pattern used by the Philadelphia authorities in many ways may be a handsomer waggon, but it has a great deal of needless trimming and

furnishings, and has the disadvantage of weighing 500 lbs. more than the City Hospital ambulance. In New York, where ambulances are attached to hospitals, a medical student usually accompanies the ambulance, who is called "Ambulance Surgeon," and is quite necessary in a system where ambulances go on signal-calls, since it is necessary to have a competent person to decide whether the case is one proper to be brought to the hospital, or to be taken to other charitable institutions, not hospitals. At this hospital a male nurse always accompanies the ambulance, and although he is neither a physician nor a medical student, he is a trained attendant competent to give first aid in cases of injury. The Police Department usually retain special detailed men to go with their ambulance, who are also trained for the special work. Of the two systems—having medical students who are more or less frequently changing, or trained attendants, who are permanent—in my judgment the latter is quite as good as the former method. In a large city of 100,000 or more inhabitants, a very important point is that there should be perfect concert of action between any and all who maintain an ambulance, that their work may not be made desultory and ineffective.

The ambulance should either be under one controlling power, or the different powers should be based upon a uniform system as to assigned territory and common rules and regulations.

Boston, April 29, 1890.

CHICAGO.

No. 11.

Consul Sadler to the Marquis of Salisbury.—(*Received May* 23.)

My Lord, *Chicago, May* 8, 1890.

In response to your Lordship's Circular despatch of the 25th March last, with instructions to report upon the means adopted at Chicago and St. Louis for the ambulance transport of civilian sick and injured from their homes, or the place of injury, to the hospitals, or from the place of injury to their own homes, I have the honour to report as follows.

The system adopted in the city of Chicago for the ambulanc transport of civilian sick and injured is that of patrol waggons,

under the charge of the police attached to nearly all the stations in the different police precincts. These are kept always ready, day and night, to answer a call from any of the numerous police-alarm telephone-boxes, where a signal-bell communicates with the nearest station, and on receipt of the call the patrol waggon at such station is at once sent to the spot indicated.

There are at present thirty-four police stations and thirty-one patrol waggons in this city, and several hundred call-boxes. Every policeman, and some private persons, have a key of the call-boxes, a key is kept for public use at a drug store nearest adjacent to the box.

Each patrol waggon is supplied with a stretcher, medicine-chest, and instruments and appliances for the relief of the injured, and useful instructions and directions are issued to the officers in charge of the waggons for the immediate treatment of the most general and serious injuries. On arrival at the spot the first means of relief are taken, if necessary, by the police officers in charge of the patrol waggon in accordance with these directions, and if the injury is such that the person cannot be moved from the spot where found without danger, the waggon is sent for a doctor.

If the injured person is unknown, or insensible, he is taken to the County Hospital. At the request of the injured person he can be taken to any other hospital, or his own home. There are also three emergency hospitals in different parts of the city. No charge is made for the transport services rendered.

There are at present no printed regulations governing the patrol waggon system adopted; the instructions furnished from the Chief Office of Police, which have been from time to time altered, have been for some time under revision, and the formulation of a new system of regulations is nearly completed for print, and will be ready for circulation in about three months, when a copy will be forwarded from this office.

Besides the patrol waggons there is one ambulance waggon, lately presented to the city by a lady, which is also under the charge of the police, and it is expected shortly there will be four more waggons presented by private persons.

St. Louis.—Mr. Vice-Consul Bascome reports from the city of St. Louis that there are no printed regulations or instructions relating to the ambulance service. The system has grown up from an experiment adopted about fifteen years ago, when one ambulance was procured and placed under the immediate charge of the Physician to the City Dispensary, and has grown from that as the needs of the city required, until they have now in use six for ordinary purposes, and one used exclusively for small-pox patients.

They are stationed immediately adjoining the offices of the Board of Health, and under the direction of the Dispensary Physician. They carry a stretcher to remove the patient, and the Health Commissioner has been anxious for the appointment of an Ambulance Surgeon to go with each vehicle, and to carry surgical instruments and appliances for the immediate relief of the injured, but this does not appear to be yet carried out.

All the ambulances are kept ready for use in the day-time and one during the night, when the calls are not frequent. The two ambulances recently built are provided with stoves for warming them, which are fed with coal from the driver's seat.

The dispensary office is in telephonic communication with all police districts and the beats of the policemen, and the ambulances may be called by them or any citizen. They are also in connection with all hospitals.

At present, when a person is injured he is taken to his home if desired, or to the hospital if nearer than the dispensary, otherwise to the dispensary for treatment, and then sent to a hospital.

The service is furnished by the city, without charge, to all citizens, whether rich or poor.

I have, &c.
(Signed) J. HAYES SADLER.

FLORENCE.

No. 12.

Consul-General Colnaghi to the Marquis of Salisbury.—(Received May 1.)

My Lord, *Florence, April 28, 1890.*

I HAVE the honour to transmit to your Lordship, herewith inclosed, a Report on the methods of carrying the civilian sick and injured in Florence and Milan, in conformity with the instructions contained in Sir J. Fergusson's Circular despatch of the 25th ultimo.

I have, &c.
(Signed) D. E. COLNAGHI.

Inclosure in No. 12.

Report on the Methods of carrying the Civilian Sick and Injured in Florence and Milan.

AT the present time two Associations undertake the transport of the sick and injured in Florence: (1) The religious Congregation known as the "Arciconfraternita della Misericordia;" (2) a Lay Volunteer Company of Public Assistance.

1. *The Arciconfraternita della Misericordia.*—For over 500 years the sick and injured in Florence have been carried from or to their

houses or to the hospitals in litters ("cataletti"), borne on the shoulders of the Associates of the Company.

The litter of the ordinary size, for one person, is constructed of white wood (poplar—*P. italica*), coloured. It has two fixed beech-wood shafts at either end, projecting about two 2 feet from the frame, and four legs; one foot, 5½ inches in length, running on castors.

The mattress rests on webbing attached to the frame. Six stout white leather straps, with buckles, are slipped through apertures in the sides of the litter, and serve to secure refractory patients. The necessary straps, bands, wristlets, &c., are also provided to secure the patient when necessary before being removed from the bed. The litter is fitted with a movable hood, of light iron hoops, higher at the head than at the feet, over which is thrown, in winter, a black waterproof covering, and, in summer, a lighter cloth, of a blue colour. Under the framework are two drawers, the one containing bandages and a few simple medicaments and restoratives, the other a crucifix, ritual, stole, &c. A jointed leg-rest, in case of a broken limb, is also carried beneath the frame.

The mattress and pillow are stuffed with wool, the sheet and pillow-case are of linen. There is a thick coverlet wadded with cotton for winter use, and a lighter one for the summer, a coloured blanket, and a strong sheet of blue sail-cloth, strengthened with three cross-bands, and fitted with six loops for lifting the patient from his bed and carrying him to the litter. A litter, fully fitted, costs about 14*l.* (358 lire). Of these the Company has seven in use.

In cases of contagious disease the litter, mattress, &c., are carefully disinfected.

The litter is borne on the shoulders of four Brothers, while, when it is occupied by a sick person, four others place one hand lightly on the shafts in readiness to give extra support in case of accident, and to relieve the bearers at a moment's notice. The patients are always carried with the head in front. The service is commanded by a superior member of the Company, called "Capo di Guardia," or, in his absence, by a substitute, who is obeyed by his subordinates implicitly and in silence.

When the patient's house is reached four of the bearers, with their leader, enter the sick room, the others remaining below with the litter. By means of the blue sheet already mentioned, which is dexterously slipped under the body, the sick person is carefully and easily carried down the stairs, placed in the litter, and borne gently away.

In cases of poverty the family of the sick person receive a donation of 3 fr. (2*s.* 5*d.*) from the funds of the Company, and occasionally the Brethren on duty make a voluntary collection among themselves to relieve extreme distress.

In cases of slight sickness the patient is conveyed in a sedan-chair, which is always carried by the two porters ("porti") of the Company, and never by the Brethren. If ever the litter is carried by the porters, and not by the members of the Company, it is

supported on strong straps slung over the bearers' necks, and carried low, not on the shoulders.

The dead are carried on a bier ("bara"), the hood of which is placed horizontally, and not on an incline.

While on duty with the litter the Brethren wear, over their clothes, a long gown ("veste") of black linen with a glazed surface, fastened in at the waist with a cord, black gaiters, and a pointed hood with eye-holes drawn over the face. The large broad-brimmed hat is either worn on the head, slung at the back, or hung on the arm. In one hand, or at their side, a rosary is carried. The porters wear a plain dark livery, with broad-brimmed hats.

The head-quarters of the Company are established at their Oratory in the Piazza del Duomo. Besides the church, the premises comprise a large hall and smaller rooms, lined with presses, with separate compartments containing the dresses of the Brethren, a Council Chamber, a place where the litters are kept, and a room furnished with six iron beds for the use of the Brethren on night duty, of whom there are generally six or seven volunteers.

A "Capo di Guardia" is also generally, but not always, present. Two servants and two porters always sleep on the premises. The telephone has, to some extent, replaced the strokes of the bell hung in the Campanile of the Cathedral, the sound of which, formally in all cases, summoned the Brothers of the Misericordia to their charitable duties.

In addition to transporting the sick and injured the Brothers of the Misericordia, on request, attend the sick (males) at their own homes as night nurses. During the day they are also ready to perform the service of changing the beds of male and female patients. The sick person is lifted by means of three towels deftly placed under the body, and the edges rolled longitudinally together, forming a strong support. Long practice has taught the Brethren to execute their duties with great skill and tenderness. A novice is always coupled with a Brother of long experience in order to learn his work.

Among the religious duties performed by the Brethren is attendance at the funerals of deceased members of the Company.

The Brothers of the Misericordia belong to all classes, from the Sovereign and Archbishop of Florence, who are born "Capi di Guardia," through intermediate ranks, to artizans of good character.

I have deemed it superfluous, as being without practical utility, to enter here into a description of the history and organization of the Misericordia, however interesting they may be in themselves. I would therefore only add that I am greatly indebted to the Administrator ("Provveditore") of the Company, the Cavaliere Enrico Montelatici Viscontini, for the detailed information kindly afforded me, by which I have been enabled to draw up these notes.

The sick from the county district round Florence are usually conveyed to the hospital in covered ambulance carts, fitted with a single bed, and drawn by one horse, which are provided by the local Companies of the Misericordia.

I have the honour to inclose a printed copy of the Statutes of the Company.

2. *The Lay Company of Public Assistance.*—The sick and injured are carried by the members of the Company on a litter of the same pattern as those used by the Company of the Misericordia, and, practically, in the same manner. The injured are also transported on an ambulance stretcher with two bearers.

The Company of Public Assistance is a Volunteer Association formed of members of the "Fratellanza Militare" (Military Brotherhood) Vittorio Emanuele II, a Benefit Society among men who have served in the army, founded in Florence in 1877. The Company dates from 1879. It is established on a military footing, and is now composed of 16 officers, with nominal rank, and 102 non-commissioned officers and men.

The Company is under the general control of the President and Council of the "Fratellanza Militare" and the direct superintendence of a Council of Public Assistance, assisted by Technical and Sanitary Committees, and a Disciplinary Administrative Command.

The Council consists of the President of the "Fratellanza Militare," the Sanitary and Technical Directors, and the Captain Commandant.

The Sanitary Committee includes the Sanitary Director, four medical men, two apothecaries, or dispensers, and two assistant dispensers (sergeants).

The Technical Committee is formed of the Technical Director, four engineers, and two assistant engineers (sergeants).

The Disciplinary Administrative Command is composed of the Captain Commandant, two Lieutenants, and two Sub-Lieutenants.

The service of the Company is carried out by one quartermaster-sergeant, nine corporals, one corporal bugler, four buglers, and eighty-three privates.

The Company is divided into two half-companies, each subdivided into two sections, one permanent and one mobile, four sections in all.

Each section, whether permanent or mobile, is further formed into sub-sections, one of nurses ("infermieri"), the other of auxiliaries ("ausiliari"). The permanent sections only serve within the boundaries of the Commune of Florence; the mobile sections may be called upon to serve outside this limit.

The head-quarters of the Company are established in the old Convent of S. Maria Novella, in the rooms occupied by the "Fratellanza Militare." At the guard-room, which is on the Piazza, and is provided with the telephone, a picket of two men is on duty every night. An officer is also detailed for night duty, but is not required to remain with the picket through the night, except under special circumstances. The litters, of which there are two, and two stretchers, are kept at the guard-room, as well as the necessary appliances for restoring suspended animation in cases of asphyxia, drags, straps, &c., for refractory patients, bandages, and medicines.

The services the Company is called upon to render are divided into ordinary and extraordinary.

The ordinary daily duties, such as the transport of the sick, changing their beds, or watching them at night, on the same lines as, though on a more limited scale than, the Company of the Misericordia, and picket duty at the guard-room, are regulated by periodical rotation. As far as possible, it is arranged that each member of the Company should have fifteen consecutive nights' rest.

The ordinary daily service commences at 10 P.M. throughout the year, and ends at 6 A.M. from the 1st October to the 31st March, and at 5 A.M. from the 1st April to the 30th September.

The ordinary weekly duties comprise the attendance of a sub-section on Thursdays and Sundays for two hours' drill and instruction. The men also are prepared to answer urgent calls for assistance at any time during their week on duty.

A doctor and an engineer are detailed for weekly duty, and are required to leave word at the guard-room where they are to be found in case of need. The weekly turn of service commences at noon on Sunday.

The extraordinary duties are rendered, in exceptional cases, by means of more or less numerous detachments called out of the periodical turn. They include attendance at large public meetings at the request of the local authorities, at fires, in cases of public disasters, &c. On these occasions the detachment is placed under the orders of the civil or military authorities on the spot. The Company also co-operates with the Red Cross Society in time of war, and volunteers its services on the occasion of epidemic.

The services rendered by the Company are gratuitous in all cases, though subscriptions or donations may be offered to the parent Society. The officers of the Company are professional men, the non-commissioned officers and privates mostly artizans. Its members all form part of the "Fratellanza Militare." They must be of good character and constitution, and not over 60 years of age. They wear a neat uniform, and are armed, when necessary, with a sword-saw.

A Sisterhood, which includes the names of many of the principal ladies of Florence, was formed in 1887, in connection with the "Fratellanza Militare," for the purpose of establishing a Female Section of Public Assistance, and providing women nurses to attend the sick of their own sex.

I am indebted to Count Carlo Degli Alessandri, President of the "Fratellanza Militare," and to the officers of the Company for the information noted above. For further reference, I have the honour to transmit the following printed documents:—

1. The Special Regulations of the Volunteer Company of Public Assistance.

2. Idem of the Feminine Section of Assistance to the Sick.*

Milan.—Mr. Vice-Consul Whitmore reports that in this city the conveyance used to transport the sick is a flat-topped trolley on

* Not printed.

springs, having four wheels with india-rubber tires, and drawn by hand. On the trolley a curtained bed is placed, standing on four feet, and having four movable handles, by which it is lifted off and placed on the ground to receive the patient. When practicable, the bed is brought up to the patient's room, otherwise the sick person is carried down by the attendants. When again mounted, the handles are pushed in, and the bed is securely fastened in position. The mattress rests on strips of iron, so as to give free play to the air. The mattress and pillows are stuffed with wool, and covered with a casing of india-rubber; the sheets and pillow-case are of linen, and changed each time. The top of the bedstead is covered over with strong unbleached canvas, of which the curtains are also made. These slide on rings run on iron rods.

The above conveyances are only kept at the hospitals, from which they are sent out when required, with two attendants. Their total cost is about 18*l.* (450 fr.).

There are no special provisions in force for the transport of persons affected with contagious diseases.

In cases of accident the injured person is generally placed in a street cab and conveyed to a hospital, though, on occasion, the hospital conveyances are used.

Private charity has, however, taken the place of official initiative. Dr. Verdella, of Milan, about three years since, on his account, and assisted by voluntary subscriptions, established an office in the Piazza Mercanti, a central point of the city, for rendering prompt assistance, by day or night, to persons requiring medical and surgical aid.

Dr. Verdella is now having built, after his own design, a small, light ambulance carriage, well hung on springs, and having four broad wheels fitted with india-rubber tires. It is to be drawn, if possible, by one, if not by two horses.

A compartment in front, arranged as a small surgery with washing apparatus and all the necessary appliances, is intended for the doctor. This compartment communicates by means of sliding doors with the body of the vehicle, which is to be fitted with two woven wire spring mattresses, so arranged as to draw out at the back of the carriage. Thus the sick or injured person would be easily pushed into the ambulance, in which a seat is also provided for the attendant. The sides of the carriage, in the interior, are lined with varnished iron. The coachman's seat will be on the top, outside. The total cost of the carriage is estimated at 200*l.* (5,000 fr.).

Dr. Verdella proposes to keep the ambulance continually horsed and in constant readiness for a call, so that the doctor with the attendant would only have to jump in, and could start at a moment's notice.

Mr. Whitmore states that he believes that Dr. Verdella would be ready to communicate his designs for this carriage if requested to do so.

D. E. C.

Florence, April 28, 1890.

NEW ORLEANS.

No. 13.

Consul de Fonblanque to the Marquis of Salisbury.—(Received April 28.)

My Lord, *New Orleans, April* 15, 1890.

In obedience to the instructions contained in Sir J. Fergusson's Circular despatch of the 25th March, I have the honour to inclose a Report upon the Ambulance Service in New Orleans.

I have, &c.

(Signed) A. DE G. DE FONBLANQUE.

Inclosure in No. 13.

Report on the Ambulance Service, New Orleans.

The Ambulance Service of New Orleans is under the direction of the Administrators of the Charity Hospital (who are appointed by the Governor of the State), and has been in operation for a little over five years.

The Charity Hospital is supported out of licence fees paid by auctioneers, and on account of public entertainments, such as theatres, balls, shows, &c., an annual contribution of 40,000 dollars from the Louisiana State Lottery Company, and voluntary contributions. It receives patients from all parts of the State of Louisiana, resident or casual, in its free wards, and charges 1 dollar a-day and upwards (according to the accommodation afforded) to those who can pay for its services.

Its ordinary staff consists of a resident house surgeon, six visiting surgeons, thirteen visiting physicians, three visiting oculists, two visiting aurists, rhinologists, and laryngologists, a visiting dermatologist, and a visiting dentist. Its nursing system is conducted by Sisters of Charity. It has also a number of resident students admitted by competitive examination.

The head-quarters of the Ambulance Department are in a spacious and well-constructed building situated almost immediately opposite the hospital gates.

Its equipment is as follows: three waggons, seven horses, two drivers, two stable-men. Two resident students are on duty for twenty-four hours, and accompany the ambulance waggon upon a "call." Should a second "call" occur before the return, the next two students for duty accompany the ambulance.

The waggons are covered four-wheel vehicles, each drawn by a

pair of horses. On the floor is a spring leather-covered bed which can be drawn out horizontally, and is fitted with handles and adjustable iron legs. This can itself be used a stretcher in very bad cases, and there is a portable canvas stretcher besides, made in two pieces so as to be easily withdrawn from under a patient.

Each waggon stands ready provided with a medicine-chest containing the remedies usually required in cases of poisoning, burns, scalds, &c., chloroform, hypodermic preparations, and restoratives. Also a stomach-pump, tourniquets, bandages, plaster, and all requisites for checking hæmorrhage and sewing up wounds.

The horses stand in stalls at each side of the waggon, their harness so arranged over the pole that it can be immediately adjusted. In front of the driver's seat is a gong, which can be struck in the streets as a signal to clear the way.

The "calls" are usually by telephone. There are many public telephone offices all over the city, and in its business portions, where accidents most commonly occur, private means of communication in this way are readily available, as no one would grudge the use of his instrument. The "call" goes into the library of the Charity Hospital, where it is verified and any special particulars obtained. Then it is wired over the way. I will suppose that it comes during the night. By one electric action a gong is sounded in the ambulance station and in the bed-room of the students on duty above, the chains of the horse-stalls drop, a trap in the ceiling opens, and the officers on duty slide down a polished steel shaft just behind the waggon, which, by the time they can do so, is harnessed and ready to start. The average time between the striking of the gong and the departure of all concerned upon their mission is fifteen seconds. They have gone forth in ten.

The route is given by intersection of streets thus: "Carondelet and Poydras." (An equivalent might be, "Fleet and Chancery," meaning corner of Fleet Street and Chancery Lane.) Nearly all the streets in New Orleans run either parallel or at right angles to each other at intervals (known as "blocks") of 100 yards.

When the ambulance arrives at the scene of the accident the students do all that is immediately required for the patient, and he is taken either to the hospital for regular treatment or to his own house, in which case, if he be able to pay it, a charge from 2 to 10 dollars is made according to circumstances, or from 8*s.* 4*d.* to 2*l.* 1*s.* 8*d.* In this way many persons who have been poisoned by accident or malice (and both causes are frequent), who have received wounds or injuries causing serious loss of blood or prostration of the system, who are suffering from fits (easily mistakable for drunkenness), and other causes calling for immediate medical attendance, owe their lives to this admirable service.

The expenditure upon it during the past year was 2,016 dol. 53 c., or, taking the average rate of exchange, 418*l.* 7*s.* 4*d.*

The following Table contains the record of "calls in 1889:—

RECORD of Ambulance Calls at Charity Hospital for the year 1889.

	Surgical.	Medical.	Dressed.	Obstetrical.	Died.	Refused.	Conveyed Home.	False.	Persons removed.	Not needed.	Total.
January	41	11	27	1	2	2	6	..	1	..	91
February	32	17	29	4	1	6	1	2	2	..	94
March	35	12	34	1	5	9	3	3	5	..	107
April	47	13	30	3	3	11	5	3	4	..	119
May	43	13	31	..	3	9	6	4	2	..	111
June	35	9	28	1	6	8	6	4	..	..	97
July	37	24	36	2	8	19	6	4	4	..	140
August	39	10	29	5	2	11	7	1	9	..	113
September	41	9	18	3	4	10	9	..	3	..	97
October	39	11	26	6	2	4	7	1	1	..	104
November	50	13	19	3	9	2	10	2	5	..	128
December	80	16	18	1	6	4	4	4	4	7	144

The ambulance is not used for the conveyance to hospitals of persons who are suffering in their own homes from ordinary maladies, but there is nothing to forbid its being so employed.

If the sufferer (or his friends) so desire, he can be conveyed to any of the other hospitals.

The students in charge wear a neat uniform of blue cloth with gilt buttons, and a cap with "Ambulance Service" on a gilt plate above the peak.

New Orleans is a city of 235,000 inhabitants, and its municipal district covers an area of 60 square miles.

No. 14.

Consul de Fonblanque to the Marquis of Salisbury.—(Received May 5.)

My Lord, *New Orleans, April 17, 1890.*

IN addition to my Report on the Ambulance Service in New Orleans dispatched on the 16th instant, I have now the honour to supply some details furnished by the authorities of the Charity Hospital this day in answer to inquiries made by me on the 7th, and for which I did not think it desirable to wait, as I had gathered the material facts from another source.

I have, &c.

(Signed) A. DE G. DE FONBLANQUE.

Inclosure in No. 14.

Supplemental Report on the Ambulance Service in New Orleans.

THE waggons for this service were built by the Abbot-Downing Company of New Hampshire, United States of America, and cost 600 dollars (123*l.* 14*s.* 3*d.*) each. The horses cost 250 dollars (51*l.* 10*s.* 11*d.*) each, and the equipments, &c., 500 dollars (103*l.* 1*s.* 10½*d.*) each. The interior is conveniently fitted up with medicine-chests, boxes for surgical apparatus, racks for splints, hooks for swinging the lantern, the surgeon's satchel, &c.

The surgeon's seat is inside, conveniently near the patient, and when unoccupied folds up out of the way.

The ambulance is provided with an easy bed, which trundles in and out, and which can be used as a litter. The bed rests on a wooden frame, which is fitted in the bottom of the waggon, and which is itself supported by steel springs placed longitudinally. These extra springs, a home invention, contribute no little to an easy ride.

In addition to the bed, there is an improved field stretcher, with adjustable handles, convenient for bringing patients out of places not easily accessible, and indispensable for lifting and handling them without inflicting pain and injury unnecessarily.

Whilst still resting on this stretcher, the patient is lifted into the ambulance, and from the ambulance to the rolling litter in waiting at the hospital door. Thus the patient is easily and quickly conveyed to the operating room, or to any ward of the hospital buildings.

The medicine-chest contains the anodynes, antidotes, and stimulants most serviceable in emergencies: chloroform, sulphuric ether, whisky, brandy, carbolic acid, olive oil, ferri ox. hydrat., Mousel's solution, dialysed iron, ergot fl. ext., aqua ammoniæ, solution ammon. carb. cosmoline, mustard, syrup morph. sulph., tr. opii. camph., hypodermic tablets and syringe, water, graduated glasses, and 1 gallon of carron oil. This oil makes a dressing quickly and easily applied in the emergency of burns and scalds The ambulances are also provided with portable electric batteries.

The surgical outfit consists of the following:—

Complete pocket case of instruments, extra Langenbeck's forceps, set of (three) tourniquets (Massachusetts General Hospital), folding fracture box, two Liston's long splints, wooden and tin splints (for extremity fractures), bandages, charpie, carbolized gauze, cotton padding, pillows, oakum, surgeon's lint, sponges, tracheotomy tube, Nelaton's catheter, pus pans, water-buckets, &c.

The Rules and Regulations are as follows:—

1. The Ambulance Service, constituted a part of the Medical Department, shall be conducted under the general rules governing the hospital.

2. An ambulance will be dispatched to any part of the city at the call of patrons of the Service, physicians, the city police, the

Fire Department, or other responsible source, subject to the approval of medical officers of the hospital.

3. When out on a call, the ambulance shall be attended only by the driver and a member of the medical staff on duty for the day, each designated by a badge of the Service.

4. The medical attendant of the ambulance shall have entire control; shall administer to patients such temporary treatment as may be necessary, and, except in cases specified below, convey them without delay to the hospital.

(*a.*) The ambulance shall not receive cases of small-pox, or other patients rejected by the rules of the hospital.

(*b.*) In cases of surgical accident, by request, patients may be removed to their homes, or places of lodging, without charge.

5. Upon return of the ambulance to the hospital, the medical attendant shall supervise the removal of patients to the ward or operating room, and then report to the house surgeon or to the assistant.

It shall also be his special duty of the day to record in the clinical note-book of the ward his knowledge of the patient's disease or injury, and the preliminary treatment adopted.

6. The ambulance may be hired by responsible persons and for suitable purposes, for instance, the conveyance of patients between steam-boat landings, railroad depôts, and the hotels, for 10 dollars; the amount thus accruing to be credited to the fund of the Service.

7. The Ambulance Relief Fund, created by Resolution of the Board of Administrators, and aided by the contributions of patrons, shall be devoted exclusively to establishing and maintaining this Service, and enhancing its usefulness as a practical charity.

By Ordinance of the City Council, the ambulance has right of way, within the city limits, over all vehicles, except those of the Fire Department and the United States' mail.

NEW YORK.

No. 15.

Consul-General Booker to the Marquis of Salisbury.—(Received April 28.)

My Lord, *New York, April* 18, 1890.

In compliance with Sir James Fergusson's Circular despatch of the 25th ultimo, instructing me to report upon the means adopted

at New York, New Haven, and Norwich, Connecticut, for the ambulance transport of civilian sick and injured from their homes, or the place of injury, to the hospitals, or from the place of injury to their own homes, I have the honour to report as follows.

New York City.

The Ambulance Service of this city, the population of which, at the last census, taken in 1880, was 1,206,300, and is officially estimated to be at the present time 1,800,000, is controlled by three separate Departments, namely: the Police, the Health, and the Commissioners of Public Charities and Corrections.

The city is divided into thirty-five police precincts, or districts, and these are apportioned to the different hospitals, so that the nearest hospital may be called upon, when necessary, for an ambulance, and an expeditious response assured.

The Commissioners of Public Charities and Corrections maintain, and have special charge and control of, certain hospitals in the city, namely: the Bellevue, Gouverneur, Harlem, and Ninety-ninth Street Hospitals; and, in addition to these, they have other institutions and asylums adjacent to the city for the reception of the sick poor or injured requiring special treatment. These are the public hospitals. There are other so-called private hospitals, which are independent of the Commissioners of Public Charities, where patients who can pay are received, but which, nevertheless, are largely available for all sick or injured persons found in the streets. Such persons, when so found by the police in the public thoroughfares, or places, or houses in the district assigned to any particular hospital, may, under arrangement between the hospitals and the Commissioners and the police, be taken to whichever hospital, public or private, may be nearest to where the patient is found, the object being to insure the promptest possible medical or surgical treatment.

The private hospitals, it is understood, are very willing to enter into such an arrangement, because of the experience and practice it affords to the physicians and students connected with them.

Cases of contagious disease are reported, either direct or through the Commissioners of Public Charities, to the Health Department, which takes exclusive charge of them, and in those cases which cannot be isolated, so that the health of other persons may not be endangered, sends ambulances or special waggons to dwellings, station-houses, and hospitals under the Department's charge, provided by the city for the purpose.

For the removal from their dwellings to hospital of the sick poor, not suffering from contagious diseases, ambulances are, on application to the Department of Public Charities, sent to any part of the city, the vehicles being in charge of a competent surgeon.

The cost of the ambulances and their maintenance is defrayed by the city in the case of the public hospitals, or by the private hospitals owning them.

The following is a description of the ambulance in use in this city and Brooklyn :—

	Ft.	in.	
Length of body	8	2	
Width of body	3	6	
Height of vehicle	5	3	
Front wheel	3	0	diameter.
Hind wheel	4	0	„
Ground to body	3	4	
Side springs	3	8	long.
Cross springs	3	4	„
Width of bed	3	0	

Bed can be drawn out.

Each ambulance is provided with a gong, which is sounded, when necessary, by the surgeon in charge, to warn other vehicles to keep out of the way, and give the ambulance free passageway.

The Ambulance Service is conducted by the respective Departments as follows :—

Police Department.—As to persons taken ill or injured in the public places or streets, the policeman on post reports the matter at once to the nearest station-house by telephone, telegraph, or other expeditious way, and an ambulance-call is sent at once from thence to the nearest hospital provided with ambulances. Whether the injured or sick person is taken to his home or to hospital depends upon his condition. If such person desires to be taken to his home, and the surgeon sees no objection, this is done. A competent surgeon accompanies each ambulance, and his examination of the sick or injured person determines the first disposition of the case.

In addition to the street cases, there are many others in which ambulances are called to the station-houses, in order to secure the most expeditious surgical opinion and treatment. Of these, about one-half are taken to the hospitals, but the remainder, consisting of cases of delirium tremens, contagious diseases, profound insensibility from intoxication, insanity, parturient women, &c., which the general hospitals—those not entirely sustained by the City Government—decline to receive, are handed over to the Commissioners of Charities and Corrections, and are sent by them to institutions or asylums on islands adjacent to New York, specially under the Commissioners' control.

The total number of ambulances in use in the city of New York at the hospitals is twenty-three, distributed as follows :—

Hospitals—	
Bellevue*	5
Harlem*	2
Gouverneur*	1
Ninety-ninth Street*	2
St. Vincent	2
New York	2
Chambers Street	3
Manhattan	2
Presbyterian	2
Roosevelt	2
	23

* Under Department of Charities and Corrections.

In addition to these, ambulances are kept at the head-quarters of the Charities and Corrections and Health Departments, namely:—

Charities and Corrections, 3.
Health Department, 3, and 2 coupés.

The following Rule and General Order have been issued by the Police Department in connection with the Ambulance Service:—

"*Rule.*

"Every ambulance or other vehicle used for the transportation of sick and wounded persons, or animals, shall be entitled to the right of way over all other vehicles upon every public street, highway, and place; any person who shall wilfully interfere with, or retard, or obstruct, or impede the progress of any such ambulance or vehicle thereon, or who shall wilfully injure the same, or wilfully drive any vehicle into collision therewith, shall be guilty of a misdemeanour.

"Members of the force shall, when called upon, aid the persons in charge of such ambulance or vehicle in placing the sick or wounded persons or animals therein, and in the enforcement of the provisions of the Act of 1879 relating to ambulances. Nothing in this Rule contained shall affect the existing right of the United States' mail, or of the officers, men, and fire apparatus of the Fire Department or insurance patrol."

"*General Order.*

"To Captain.....

"..... ..... Precinct. "*December* 22, 1883.

"Telephone communication has been established between police head-quarters and the elevated railroad stations, corner Houston Street and Bowery, Bleecker Street, and South Fifth Avenue. These stations connect with all the stations on elevated roads east and west. You will instruct the members of your command that when any accident occurs requiring ambulance service, in the vicinity of the elevated stations, to proceed at once to the nearest (should such station be nearer than the Precinct station), or send by messenger, and notify the ticket agent to transmit the same to police head-quarters. Should any interruption exist preventing the transmission of the message over the elevated railroad wires, the officer will immediately report the case at his station-house as heretofore. If the message is transmitted over the elevated railroad wires, the officer will report all circumstances of the case to his station-house as soon as possible."

The Superintendent of Police, in furnishing the foregoing information, states that "the ambulance service of this city is regarded as most efficient, and that it has been the means of saving

many endangered lives. Every call upon the hospitals is promptly answered, the celerity of movement exciting favourable comment on all sides."

Department of Public Charities and Corrections.—As to the means adopted by this Department for ambulance transportation of the sick and injured, calls are received in the following manner:—

1. Through the Police Department, by the officer on whose post the accident occurs reporting the case at the station-house. It is then transmitted by telephone to this Department through the Police Central office.

2. By an officer of the Fire Department sending a signal (twenty continuous taps) on the fire telegraph. This is done only in extreme cases, as when an accident occurs at a fire requiring a number of ambulances, when ambulances from all available sources are signalled for.

3. By relatives or friends making application to the Commissioners or the Warden of the hospitals under the control of the Commissioners.

4. On a physician's certificate that the patient, unable to pay for the same, requires hospital treatment.

Each ambulance is supplied with surgical appliances, medicines, &c., and a surgeon goes with each. On the arrival of the ambulance at the place where the accident occurs the patient's wounds are dressed, and, should he desire to go home, if the surgeon is of opinion that he may safely do so, he is taken there, provided he lives within the city limits.

Calls are received at all hours of the day or night, and the surgeons, drivers, and ambulances are ready for every emergency.

The number of ambulances attached to Bellevue Hospital is eight, of which there are three generally kept at the head-quarters of this Department. In addition to these, there is one at Ninety-ninth Street Hospital, one at Gouverneur, and two at Harlem Hospital: these reception hospitals being too remote from Bellevue for patients to be sent there, and obviating the necessity for so long a drive.

The Commissioners have recently adopted a system of rapid harnessing, similar to that in use in the Fire Department, using for that purpose the "Berry" hame and collar, by which the horse can be harnessed almost instantaneously.

Copies of the Rules and Regulations to be observed by ambulance surgeons and drivers in the employ of the Commissioners of Public Charities are hereto annexed.

Health Department.—The ambulances of this Department (three in number, and two coupés) are used only for the transportation of persons, sick with contagious diseases, from private dwellings, tenement houses, hospitals, and public institutions, to the hospitals of this Department for their reception and treatment. All cases of contagious disease are required by law to be reported to this Department, and upon the receipt of the report of a case which should be removed to the contagious disease hospital, or upon the

report of an Inspector of the Department that a case of contagious disease cannot be properly isolated, and thereby endangers the health of other persons, an ambulance is sent to convey the sick person to the hospital of the Department at the foot of East Sixteenth Street. The ambulances are in charge of experienced men, who have been carefully trained in the management of persons sick with contagious diseases.

I annex hereto copies of a City Ordinance on the subject of ambulances promulgated to the police force on the 31st March, 1879; also a copy of an Act of the New York Legislature relating to ambulances passed on the 16th April, 1879.

New Haven, Connecticut.

In this city, which, at the last census in 1880, contained a population of 62,882, and an estimated present population of 83,000, there are three ambulances employed in the public service. The Police Department (City) has one which is used for emergency cases only, in which cases the patient is taken to the hospital or to his home as may be necessary. There are no formal Rules for this branch of the police service.

The town of New Haven (the town and city Governments being distinct) has an ambulance which is used for conveying sick persons to the almshouse.

The New Haven Hospital has a much better ambulance than those mentioned above, which is used in cases of accident or illness to convey the injured or sick to the hospital, and also for conveying its out-of-town patients from railway stations to the hospital.

Norwich, Connecticut.

Norwich is a city having at the last census (1880) a population of 15,112. The present population is estimated at about 20,000.

There is one ambulance for the removal, on call, of sick or injured persons from any point in the city to the hospital or place of destination. It is entirely under the control of the Chief of Police, or select men (Town Council) of the city. The vehicle is of the latest model, and is considered by the Chief of Police to have some improvements upon those in use at hospitals in New York. It has seats, medicine-chest, also stretchers and holders which take out, so that in case of need a sick person can be provided with a bed in place of same and replace at once, giving all the necessary room for the patient and nurse or party accompanying the patient to destination. There is also a seat in front and back, and a step in the rear. There are no special Ambulance Regulations in this city.

City of Brooklyn, New York.

Although not called upon to report upon the ambulance service in this city, which is also in my Consular district, it may be of

interest to give particulars in regard to it, especially as it is one of the largest cities in the United States, its population, according to the last census in 1880, being 556,663, and its present estimated population 835,000.

The ambulance service in this city is under the direction and in charge of the Department of Health. There are seven ambulances to afford relief in emergency cases; two of these are owned by the city. Yearly contracts are made for taking care of the ambulances, and for furnishing horses and drivers. The cost of this contract is about 100 dollars (20*l.*) per month. The other five are the property of different hospitals, and they are paid the same amount per month for the service.

The city is divided into seven ambulance districts, to each of which an ambulance is assigned. If at any time the ambulance of a district is engaged, and a call is received, an ambulance from one of the adjoining districts is sent. All ambulance stations are connected by telephone with the Police Central Office, and all calls are received and transmitted by that Department.

The rule of the Brooklyn Police Department requires that when an officer finds any sick or injured person on the streets, he is to accompany him, if able to walk, to the hospital; if not able to do so, the ambulance is summoned, and the person is left in the care of the surgeon in charge of the ambulance.

The following are the Regulations of the Department of Health in regard to the ambulance service:—

"1. Ambulance surgeons must be qualified practitioners of medicine under the Laws of the State.

"2. The term of service of ambulance surgeon must not exceed one year.

"3. The surgeon, when appointed, shall agree in writing to serve one year.

"4. A surgeon shall always be on duty at each station; he may, however, be relieved by a substitute regularly appointed by the Commissioner.

"5. Ambulances shall not attend calls unless accompanied by a surgeon or by a regularly appointed substitute; and the ambulance, when on duty, shall at all times be under the direction of the surgeon in charge.

"6. When the ambulance surgeon leaves a station to attend a call, he must notify Police Head-quarters where he is going, and also notify him again when he returns.

"7. Ambulances must, under no circumstances, be driven faster than is permitted by City Ordinance—5 miles an hour. The bell is only to be rung in crowded thoroughfares, and when it becomes necessary to clear the way. (Section 185 of the Sanitary Code gives the ambulances the 'right of way as against any person, carriage, or incumbrance.' 'It shall be the duty of the police to enforce' this right of way.)

"8. The surgeons are to bear in mind that the service is one of emergency, and that their duty is not to treat their patients or to interfere with same, when in care of a surgeon, except upon request

to take charge, in which event, they will render such services as the emergency demands, and to transport them as expeditiously, as safely, and as comfortably as possible. (The hospitals that are under contract to receive the sick poor of the city are the Long Island College Hospital, the Brooklyn Hospital, St. Peter's Hospital, St. Catharine's Hospital, the Homœopathic Hospital, St. Mary's Hospital, and the E. D. Hospital.)

"9. Patients must be taken home or to the hospital of their selection when so requested, unless the surgeon recognizes that the removal will seriously imperil the patient's life.

"10. Cases of delirium tremens, or other form of delirium or mania, not being ambulance cases, the surgeon shall report same to the police if not already in their charge.

"11. When ambulance surgeons are in doubt as to the disposition of a case, they shall advise with a Sanitary Inspector of the Department, except when the patient is under arrest; in which latter case they shall consult with a police surgeon. The direction of the physician thus consulted shall, in all cases, be followed. (It is a rule of the Department of Police that the ambulance shall not be called when the sick or injured person is able to walk to the nearest hospital or dispensary.)

"12. When a reserve ambulance is used, no charge shall be made for the same, except in the case of persons able to pay; in which case, the person using it shall pay for the service, in accordance with the Ordinances regulating coach and hack tariff.

"13. Acute cases only—that is, cases of recent injury or sudden sickness—shall be removed by the ambulance, except upon the Commissioner's order; the same order is required in calls from without the city. When it is necessary to remove a case to New York City, the surgeon will take the ambulance to some convenient point beyond the further end of the bridge, and transfer the case to one of the ambulances of New York City. No person shall be taken by the ambulance from New York to a Brooklyn hospital until the consent of either the authorities of the hospital or Health Commissioner be obtained.

"14. If death takes place in an ambulance while a case is in transit, the body shall be taken to the Morgue, unless the residence, within the city, of the deceased is known, in which case he shall be taken there. If the residence of the deceased be unknown, or the death have occurred before the arrival of the ambulance, the surgeon shall deliver the body at the Morgue, on the order provided in blank by the Coroners, except such cases as properly belong to the Coroner.

"15. When an ambulance is called to a case in a tenement or other house, and immediate removal to hospital is not required, it is the duty of the surgeon to attend to the immediate needs of the patient—not to remove the case—but to ascertain if it is one that comes under the jurisdiction and care of the Commissioners of Charities, and, if so, to provide for the notification of the said Commissioners through Police Head-quarters.

"16. As the contractor in charge of the ambulance is held

under the terms of his contract, to 'wash and at all times keep in a cleanly condition the ambulances, stretchers, covers of stretchers, and pillows, blankets, and other fixtures and apparatus,' the surgeon must report to the Commissioner any failure on the part of the contractor to comply with the above requirements.—April 26, 1881, amended May 15, 1884.

"17. Whenever it is desired to remove a patient to one of the county institutions at Flatbush, the surgeon shall not make the removal until he has received the proper removal papers from the central office of the Charities Commission, or, in case that office is closed, from the office of the Physician of that Commission. It should be ascertained by telephone whether the central office is closed or the relief physician is at home, before transporting the patient through the streets.

"18. No expense, either in purchase of material or in the repair of ambulances shall be incurred without the authority of the Commissioner."

I have, &c.
(Signed) WM. LANE BOOKER.

Inclosure 1 in No. 15.

An Act relating to Ambulances, passed April 16, 1879.

THE people of the State of New York represented in Senate and Assembly do enact as follows:—

Section 1. Every ambulance or other vehicle used for the transportation of sick and wounded persons or animals, shall be entitled to the right of way over all other vehicles upon every public street, highway, and place. Any person who shall wilfully interfere with, or retard, or obstruct, or impede the progress of any such ambulance or vehicle thereon, or who shall wilfully injure the same, or wilfully drive any vehicle into collision therewith, shall be guilty of a misdemeanour.

Sec. 2. All police officers, sheriffs, and constables shall, when called upon, aid the persons in charge of such ambulance or vehicle in placing sick or wounded persons or animals therein, and in the enforcement of the provisions of this Act.

Sec. 3. Nothing in this Act contained shall affect the existing right of way of the United States' mail, or of the officers, men, and fire apparatus of any municipal Fire Department or insurance patrol.

Sec. 3. This Act shall take effect immediately.

Inclosure 2 in No. 15.

Ordinance.

An Ordinance to secure the right of way to ambulances belonging to the Department of Public Charities and Correction, and to incorporate hospitals in the City of New York.

THE Mayor, Aldermen, and Commonalty of the City of New York do ordain as follows:—

Section 1. The ambulances belonging to the Department of Public Charities and Correction and incorporated hospitals in the City of New York shall have the right of way in the streets of said city as against all persons, vehicles, or animals, when conveying any patient or injured person to any hospital in the city, or when proceeding to the scene of any accident by which any person or persons have been injured; and any person refusing to yield the right of way, where it is possible, shall be deemed guilty of a misdemeanour, and on conviction thereof shall be punished, pursuant to the provisions of sections 20 and 21 of Chapter XI, Laws of 1853; and the Commissioners of Police are hereby required to enforce rigidly the provisions of this Ordinance.

Sec. 2. All Ordinances, or parts of Ordinances, inconsistent or conflicting with the provisions of this Ordinance are hereby repealed.

Sec. 3. This Ordinance shall take effect immediately.

Inclosure 3 in No. 15.

Department of Public Charities and Corrections, New York.

Rules to be observed by Ambulance Surgeons.

1. MEMBERS of the ambulance staff must never be absent from the hospital, when on duty, without informing the Warden, and obtaining permission. Not more than one of the surgeons shall be absent at any time. The one remaining to be on first call. When leave of absence is granted the surgeon must furnish a proper substitute.

2. The surgeons are required to be very prompt in answering calls, and to return to the hospital with as little delay as the comfort of the patients will admit of.

3. The surgeons must see that everything requisite for the alleviation of suffering, such as medicines, surgical appliances, &c., are properly supplied to the ambulance, and that the medicine-

chest is kept in proper order. This shall be the duty of the senior surgeon, the one who has been longest in the institution.

4. In all precinct calls for an ambulance north of Houston Street, south of Fortieth Street, and east of Fourth Avenue, and such other precincts as the Board of Commissioners may at any time direct, the cases will be brought to Bellevue Hospital. All other calls will be brought to the nearest hospital, and if there refused, to Bellevue.

5. Ambulances when called to a precinct or prison will take the case as represented by the officer or keeper in charge, and if it is not a proper one for the hospital he can report the matter to the Warden.

6. All cases of insanity or alcoholism are to be brought to Bellevue, and all maternity cases to the Emergency Hospital, 224, East Twenty-sixth Street. Cases not requiring immediate hospital relief, and who can walk to their homes, need not be brought to the hospital; but the surgeon will be very careful in his decision in such cases.

7. When patients desire to be taken home, if within the city limits, or to any hospital they may elect within the city limits, such request must be complied with if they are physically able to judge of their condition.

8. When an ambulance is called to a fire, the surgeon will make all possible haste to the destination, and when he arrives and finds that he requires more aid, he will immediately ask the fireman or policeman in charge to send an extra alarm on the fire telegraph.

9. When patients are brought to the hospital the surgeon will enter the case on the books, and immediately notify the surgeon or physician in charge of the division to which the patient has been assigned, stating to him the condition of the patient.

10. The surgeon will be required to take particular care to obtain all information relative to the patient, and to enter such opposite the proper headings on the ambulance slips with which they are provided, affixing also the hour of admission, number of the division, and nature of injuries or sickness.

11. He will also give to the Clerk any property belonging to the patient which he may have received.

12. Any dispute arising between an ambulance surgeon and a member of the house staff, in reference to the admission of a patient, will be referred to the Warden, who will decide.

13. Emigrants or non-residents, unless requiring immediate hospital treatment, are not to be brought to the hospital.

14. Ambulances will have the right of way after the United States' mail and the Fire Department. Ambulance Surgeons will call upon the aid of the police to enforce their right of way, and also their assistance in caring for the sick and wounded.

15. The surgeon will report to the Warden any misconduct or dereliction of duty on the part of the drivers.

16. Ambulance surgeons when on duty will be required to wear uniform.

17. No person, except the surgeon and driver, will be permitted to ride on the ambulance without permission of the Warden.

18. Smoking will not be permitted on the ambulance.

By order of the Board of Commissioners.

May 8, 1883.

Inclosure 4 in No. 15.

Department of Public Charities and Corrections, New York.

Rules and Regulations for Ambulance Drivers.

AMBULANCE drivers are required to be always on duty, and ready for a call night or day.

Drivers must keep their ambulances and harness perfectly clean, and in good condition.

They will see that the blankets, stretcher cloths, &c., are always clean, and everything in their charge ready for inspection at any time.

They must always drive at an ordinary gait, except in cases of emergency, such as fire or hurry calls, when they will drive at a fast trot.

Drivers will see that no person or persons are permitted to ride on the ambulance except the surgeon or a policeman in charge of the case.

Drivers are expected to wear a blue blouse and fatigue cap, and to be clean and neat in appearance. They will not be permitted to smoke on the ambulance nor around the stables.

Drivers will not leave their ambulance while on a call, but prepare it for the reception of the patient, and send to the surgeon whatever medicines or appliances he may require.

They must also use gentleness and kindness in handling patients.

The driver on third call will always drive the coupé, and see that it is kept in proper order.

They will take their turn in driving first, second, and third call, as the Warden may direct.

Drivers will be granted twenty-four hours' leave of absence every second week.

By order of the Board of Commissioners,

(Signed) JOHN FALLON, *Warden.*

Bellevue Hospital, January 1, 1890.

PHILADELPHIA.

No. 16.

Consul Clipperton to the Marquis of Salisbury.—(Received May 5.)

My Lord, *Philadelphia, April* 23, 1890.

I HAVE the honour to acknowledge the receipt of Sir James Fergusson's Circular despatch of the 25th ultimo, requesting me to report upon the means adopted at Philadelphia for the ambulance transport of civilian sick and injured from their homes or the place of injury to the hospitals, or from the place of injury to their own homes.

In reply, I have the honour to report to your Lordship that the system of ambulance service in this city is of two kinds, one as an adjunct to the Bureau of Police, and the other as an attachment to the hospitals of the city.

The ambulance service of the Bureau of Police comes under what is termed a "Police Patrol System." Each police district has a waggon drawn by two horses, and having a crew of six men—two sergeants, two drivers, and two officers—divided into two reliefs of three men each. The waggons are provided with swinging stretchers and removable covers or awnings. At certain points throughout the city are located octagon-shaped sheet iron boxes with heavy glass roofs and gas-lamps on the tops. Inside of each box is the electrical apparatus and telephone service. Wires are run from the police station over a circuit which embraces the extent of the police district and into each box. At the main police station there are what are termed "receivers," telephone and registering apparatus. A call from any one of the street boxes registers the number on a tape (paper) at the main station, and the operator is apprised of the fact. Should a call come in from a box for the waggon, for instance, and that box is located at A and B Streets, the operator immediately calls up the patrol station to send the waggon to that box. If it is an hospital case, it is hurried to the nearest hospital, using every precaution in the transportation of the sick or injured towards ameliorating their sufferings. The swinging stretchers are attached to springs which prevent any jarring during conveyance. Should the injured person be able to give his residence, and expresses a desire to be sent home, he is taken there. Since the introduction of this branch of the police service, many lives have been saved by the quickness with which the sick, injured, and sunstroke cases are conveyed to the hospitals. The policemen are instructed by the district surgeons upon the manner and means to be applied in rendering first aid to the injured until the arrival of a doctor or until the patient is admitted to the hospital. The police officer is not required to leave his post or beat, but utilizes the telephone service as a means

of communication with the district station to which he belongs. They are also compelled to report their names or numbers through the telephone when on street duty.

The ambulances attached to the hospitals are supported by the institution; they are not so heavy, and are drawn by one horse as a rule. They are fitted up with all the necessary appliances, and the hospitals are connected by telephone with the "Main Police Telegraph Station."

The ambulances have the right of way through the streets.

At some of the large docks on the river front a simple stretcher on iron legs, composed of a strong square wooden frame with handles at each end; the bed is made of strong webbing, upholstered with hair covered with leather, making a portable, firm, and easy mode of conveyance. A pillow and wraps are attached. It can be readily placed in any passing waggon. When not in use it is hung up on the wall of any building with a small closet adjoining containing the wraps, &c.

I have, &c.

(Signed) ROBT. CHAS. CLIPPERTON.

SAN FRANCISCO.

No. 17.

Consul Donohoe to the Marquis of Salisbury.—(*Received May* 12.)

My Lord, *San Francisco, April* 21, 1890.

I HAVE the honour to acknowledge the receipt of Sir James Fergusson's Circular despatch of the 25th ultimo, instructing me to report upon the ambulance transport system of San Francisco.

I have the honour to report that there is no system at present, but that there has been much discussion in the newspapers and abuse of the City Government for not establishing some more suitable means than hackney carriages and express waggons for the transport of the sick and injured.

I have the honour to inclose a copy of a letter from the Mayor, by which it will be seen that he hopes shortly to have an efficient ambulance service in successful operation.

I have, &c.

(Signed) DENIS DONOHOE.

Inclosure in No. 17.

The Mayor of San Francisco to Consul Donohoe.

Dear Sir, *San Francisco, April* 17, 1890.

In reply to your letter of inquiry, I would say that San Francisco has not, at present, adopted any ambulance transport system.

She has taken measures, however, to secure ambulances of the most approved pattern, and to provide the best and most humane appliances for the transport of civilian sick and injured from their homes or the place of injury to the hospitals. In a short time we expect the ambulance service to be in successful operation.

I am, &c.

(Signed) E. B. POND.

(*Per* A. J. Moulder, *Secretary.*)

COMMERCIAL. No. 14 (1890).

REPORTS

FROM

HER MAJESTY'S REPRESENTATIVES ABROAD

ON THE

REGULATIONS

RESPECTING

COMMERCIAL TRAVELLERS.

Part I.—EUROPE.

Presented to both Houses of Parliament by Command of Her Majesty.
March 1890.

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Reports from Her Majesty's Representatives abroad on the Regulations respecting Commercial Travellers.

Circular addressed to Her Majesty's Representatives at Vienna, Brussels, Copenhagen, Paris, Berlin, Athens, Rome, Cettinjé, The Hague, Lisbon, Bucharest, Belgrade, Madrid, Stockholm, Berne, Constantinople, Sofia, and St. Petersburgh.

My Lord,
Sir,

Foreign Office, October 15, 1889.

It is stated that in some countries commercial travellers are obliged to pay fees and to take out licences, and that, through ignorance of the law upon this subject, British subjects so employed have met with much inconvenience.

I have accordingly to request that you will send home, with as little delay as possible, for presentation to Parliament early next Session, a translation or brief summary of the Regulations affecting such travellers which are at present in force in the country to whose Government you are accredited.

I am, &c.

(Signed) SALISBURY.

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cannot exceed one year. If the duty has been deposited at the Custom-house of import, it is repaid at the Custom-house of export after the officials have verified the identity of the goods.

I have, &c.
(Signed) VIVIAN.

BULGARIA.

No. 3.

Mr. O'Conor to the Marquis of Salisbury.—(*Received November* 1.)

My Lord, *Sophia, October* 27, 1889.

WITH reference to your Lordship's Circular of the 15th instant, requesting me to furnish a translation of the Regulations affecting commercial travellers in Bulgaria, I have the honour to report that, in reply to inquiries which I have caused to be made at the Bulgarian Ministry for Foreign Affairs, I have been informed that no such Regulations exist in Bulgaria.

I have, &c.
(Signed) N. R. O'CONOR.

DENMARK.

No. 4.

Mr. MacDonell to the Marquis of Salisbury.—(*Received November* 29.)

My Lord, *Copenhagen, November* 27, 1889.

IN obedience to the instructions contained in your Lordship's Circular despatch of the 15th ultimo, I have obtained from M. Hansen, Advocate of the Supreme Court of Denmark, and have the honour to transmit to your Lordship herewith, a summary of the legal enactments affecting commercial travellers in Denmark.

I have, &c.
(Signed) H. G. MACDONELL.

Inclosure in No. 4.

Memorandum.

THE Regulations affecting the right of foreigners to do business in Denmark, and especially to employ commercial travellers, are chiefly contained in the Statute Law of the 8th June, 1839, which has on some points been modified by the Laws of the 16th April, 1841, and the 15th April, 1843. According to these Laws the principal enactments of the Danish law as to commercial travellers may be thus stated, viz.:—

1. Foreign merchants or commission houses are absolutely forbidden to expose for sale or to sell goods or wares *outside* of Copenhagen or the Danish municipal towns ("Kjòbstœder"), either personally or through travellers.

2. Even in Copenhagen or the said municipal towns a foreigner is not at liberty to offer or sell goods to other persons than such as are licensed to transact business in such goods, viz., merchants "en gros" ("Grosserere") or "en détail" (ordinary merchants, "Kjòbmœnd," or other persons that have taken out the necessary licences), manufacturers, and mechanics, and other licensed traders. To merchants the foreigner may only sell such goods in which such merchants are allowed to trade; to manufacturers, mechanics, and other traders they may only sell such goods as these persons require for their manufactories or trades.

Accordingly, it is absolutely forbidden to sell goods directly to the consumers.

The goods must not be sold in smaller lots than what is reckoned as sale "en gros" (generally not less than 40 kronor (2*l.* 4*s.*).

3. A foreign commercial traveller is bound to apply to the Custom-house official at the first Custom-house place where he arrives from foreign parts, and before that official to produce certificates from the Magistracy at his place of residence, showing whether it is for his own account or for the account of others that he intends to do business, and if for other merchants or manufacturers, the certificates must state the names of such other persons or firms.

The Custom-house official shall then hand to the traveller a certificate, which he must present to the Chief Officer of Police of the place before making use of it. The certificate is valid only for *one year*, but may at the expiration of the year be exchanged for a new certificate, also running for one year. This new certificate is to be issued by the Custom-house officer at the place where the traveller is dwelling at the time when the first certificate expires.

For such certificate, and for each renewal of the same, the fees are 160 kronor (about 8*l.* 16*s.*). If the traveller represents more than one firm or manufacturer, he has to pay over and above the 160 kronor a fee of 80 kronor (4*l.* 8*s.*) for each such firm or manufacturer.

If the firm is obliged during the lapse of the year in which the certificate is running to change their traveller, a new certificate may be taken out by the new traveller for the remainder of the year without any fees having to be paid.

4. If the traveller is travelling about with samples, he has to pay the ordinary customs duty on such samples, and the samples are to be shown to the Custom-house officer. The same applies to sample books, &c.

5. On his arrival at any town where the traveller intends doing business, he is to present his certificate to the Custom-house officer *and* to the Chief Officer of Police.

6. The above enactments also apply to Danish subjects who are travelling for the account of foreigners.

7. If, before showing the certificate to the Custom-house officer and the Chief Officer of Police, any commercial traveller should transact any business, he is liable to be fined 16 kronor (about 18*s.*). For other offences against the above enactments (especially for transacting business without taking out a certificate) the traveller is to be fined: the first time, 64 kronor; the second time, 96 kronor; the third time, 132 kronor. If he offends a fourth time he is both fined 132 kronor, and, moreover, loses his right of doing business, and at the instance of the police he may be sent out of the country. Besides the above penalties, a traveller may be fined for offences against the Customs Laws or for unlicensed trading.

Samples of goods that are not presented as the law directs are to be confiscated.

In default of payment of the fines the traveller may be imprisoned as a subsidiary punishment, according to the ordinary rules of the Danish law with regard to the non-payment of fines.

(Signed) OCTAVIUS HANSEN,
Advocate of the Supreme Court of Denmark.

Copenhagen, November 26, 1889.

FRANCE.

No. 5.

The Earl of Lytton to the Marquis of Salisbury.—(Received October 21.*)*

My Lord, *Paris, October* 20, 1889.

I HAVE the honour to transmit herewith to your Lordship a Report by Mr. Crowe, stating, in reply to your Lordship's Circular of the 15th instant, that no fees or licences are required of commercial travellers in France.

I have, &c.
(Signed) LYTTON.

Inclosure in No. 5.

Mr. J. A. Crowe to the Earl of Lytton.

My Lord, *Paris, October* 19, 1889.

WITH reference to Lord Salisbury's Circular of the 15th October on the subject of Regulations affecting commercial travellers in foreign countries, I have the honour to inform your Lordship that no such Regulations exist in France, where travellers of every nationality carry on their business without interference of any kind, and without any payment of fees or licences.

I have, &c.
(Signed) J. A. CROWE.

GERMANY.

No. 6.

Sir E. Malet to the Marquis of Salisbury.—(*Received December* 29.)

My Lord, *Berlin, December* 27, 1889.

WITH reference to your Lordship's Circular of the 15th October last, I have the honour to inclose herewith translations of extracts from the "Central Blatt" for the German Empire, containing the provisions issued by the Federal Council for the enforcement of the clauses of the Commercial Code relative to special licences to be issued to itinerant merchants and commercial travellers.

With regard to the fees payable by commercial travellers, it appears that the several States of the Empire have their respective Regulations, in respect to which the Imperial Foreign Office is still collecting information, which shall be forwarded to your Lordship at the earliest opportunity.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure 1 in No. 6.

Provisions relating to Foreign Merchants, Commercial Travellers, &c., published in the Supplement to the "Central Gazette of the German Empire" of November 3, 1883.

(Translation.)

TRAVELLING MERCHANTS OF FOREIGN NATIONALITY.

(A.)—*Generally speaking.*

1. FOREIGNERS who desire to trade while moving from place to place require a special licence for that purpose.

2. Foreigners who desire to carry on ordinary frontier commerce by the exclusive sale of raw materials appertaining to agriculture or forestry, horticulture, &c., or of poultry or bees only, are exempted from the obligation provided in the above clause; such a trade may, however, be forbidden should any of the conditions mentioned in sections 57, Nos. 1 to 4, 57 (*a*) or 57 (*b*), Nos. 2 to 4, of the Commercial Code, present itself.

3. As regards the carrying on of any trade while moving from place to place, as well as regards the issue, refusal, or withdrawal of the special licence, the provisions laid down in Chapter III of the Commercial Code shall be enforced.

4. The issue of a travelling trade licence shall be refused if there is no necessity for making out such licences for the conduct of the trade in question within the district of the authorities

(applied to), or as soon as such licences may have been issued or extended (*vide* No. 6) in numbers corresponding to the conditions of the district over which the said authorities have the administration.

In addition to the above, as regards the vocation of tinker, workers in lead and wires, &c., organ-grinders and bagpipe-players, a licence may only be issued to such persons as can prove that they received a licence for the same business during the preceding year.

Gipsies shall always be refused such licences.

5. Foreigners who have either not yet reached the age of 21, or whose characters are subjects of suspicion to the police, are not to be allowed to carry on an itinerant trade.

A licence which has been issued may be withdrawn should such considerations be raised after its issue.

6. The travelling trade licence allows the possessor, after paying the fees imposed by the Government of the country, to carry on his trade while moving from place to place within the district of the authorities who issued it. In order to carry on his trade in another district, his licence must be extended by the authorities of the district in question. Such extension shall be refused if [same as in No. 4].

Section 58* of the Commercial Code shall be applied, as well as the above No. 5, paragraph 2, in case of withdrawal of the licence.

The right of expelling a foreigner from any district remains unaltered by these provisions.

7. The fact of a foreigner's possessing no domicile in the country shall not be considered as a reason for refusing to issue him a travelling trade licence, or for refusing to extend it when issued.

8. Such licences may be drawn up, as well as extended for a shorter time than the calendar year, or for a specified number of days within the calendar year.

9. The licences will be drawn up in the manner indicated under Heading III.

10. Any person who, while carrying on an itinerant trade from place to place, desires to be accompanied by another person, must obtain the permission therefor of the authorities who issued or extended his licence.

Such permission will be notified upon the licence, with an accurate description of the persons in question.

Persons with regard to whom the authorities do not receive satisfactory replies to the questions to be put to their master shall not be allowed to accompany the latter. This provision applies equally to the cases of a German subject accompanying a foreign tradesman, or of a foreign subject accompanying a German tradesman.

* This clause provides that should the specified reasons against issuing the "Wandergewerbeschein" be found to have existed unknown to the authorities before its issue, or only present themselves after its issue, they are equally valid as grounds for withdrawing the same.

Permission to be accompanied by persons of the opposite sex may be refused, even though none of the reasons for refusal given under Nos. 3 to 5 should be present, except in cases of married persons or of own children or grandchildren over the age of 21.

11. Measures taken upon the basis of these provisions, including also a refusal to approve a catalogue of books or any printed matter (by section 56, paragraph 4, of the Commercial Code, it is provided that all travelling tradesmen selling books or other printed matter must submit a catalogue of the literature they offer for sale to the proper authorities for approval), can only be proceeded against by sending in a complaint to the immediately superior police authorities.

(B.)—*Regarding the Business of Foreign Commercial Travellers in particular.*

1. The provisions laid down by Treaties shall find application in the cases of commercial travellers whose position is legalized by means of a commercial traveller's licence ("Gewerbelegitimationskarte"), as prescribed in the State Treaties. Whensoever commercial travellers offer goods for sale to, or bring goods from, persons other than merchants or producers of such goods, or in places not devoted to public sale, or whensoever they try to obtain orders for goods from persons other than merchants, or such persons as make use of the goods in question in the prosecution of their business, the provisions given above under (A) shall be applied to them.

2. Commercial travellers belonging to States with which no special agreement has been concluded respecting the commercial traveller's trade licence, but which have the right of the most-favoured nation in regard to commerce, require a trading licence ("Gewerbelegitimationskarte") of the kind given in the following Annex 1, for the conduct of their business in Germany.

These cards entitle the holder to purchase goods from tradesmen, or producers of goods, or in places devoted to public sale, and to try to obtain orders for goods from tradesmen or persons such as make use of the goods in question in the prosecution of their business, throughout the whole of the German Empire, after he has paid the proper taxes, provided no special provision is made in regard to the latter by Treaty of Commerce (with the State of which he is subject). He may only carry with him patterns of goods, but no actual goods.

The provisions of Chapter III of the Commercial Code shall be applied in regard to the issue, refusal, or withdrawal of the cards for the legalization of trade, with the reservation that the fact of having no domicile in the country (section 57 of the Commercial Code) does not form a reason for refusing to issue such a card, and that measures taken upon the basis of these provisions can only be disputed by means of complaint made to the directly superior authorities of police ("Auflichtsbehörde").

3. As regards the conduct of the business of commercial

travellers (Nos. 1 and 2), the provisions of Chapter III of the Commercial Code shall receive corresponding application.

III. *Formulas for Travelling Traders' Licences.*

Such licences are to be drawn up as per Forms annexed, of which Formula (A) must be used in the cases coming under section 55, No. 4, of the Commercial Code, Formula (B) for subjects of the Empire, and Formula (C) for all other cases of commercial business being conducted while moving from place to place.

IV. *Final Clause.*

The above provisions shall come into force on the 1st January, 1884.

Annex 1 *to the "Central Blatt for the German Empire" for November* 3, 1883, *p.* 308.

(Translation.)

Commercial Traveller's Licence.

GERMAN EMPIRE.

(Kingdom of [Seal] Prussia.)

Trade Licence for Foreign Commercial Travellers for the year 18 .

(Valid for the German Empire, after fees of States are paid.)

M. .....
resident at .....
is empowered .....
.....
to buy goods on account and to obtain orders for goods.

The of , 18 .

....
.....

On the back of this card the following is printed:—

"The holder of this card is empowered to buy goods only while moving from place to place, and exclusively on account of the aforesaid firm of , from tradesmen or persons who themselves produce the goods in question, or in places devoted to public sale, and to obtain orders from tradesmen or persons in whose trade the goods in question are used.

"He may only take patterns of goods, and not actual goods, with him.

"He is required to carry this card upon him while engaged in his business, to produce it if desired to do so by competent authorities or officials, and, should he be unable to do so, to give up continuing his business upon their order to that effect until the card be found.

"The card is not transferable."

(Signed) ESME HOWARD.

Inclosure 2 in No. 6.

Extract from the "Central Blatt für das Deutsche Reich" of November 15, 1889.

(Translation.)

NOTICE of the 8th November respecting an alteration made in the provisions for putting into execution the Commercial Code issued the 31st October, 1883.

BY decision of the Federal Council, the words "subject of " ("staats anjehörig in ") are to be added to the established Formulas (A), (B), (C), for itinerant trade licences ("Wandergewerbeschein") (*vide* Notice of the Imperial Chancellor of the 31st October, 1883, "Central Blatt," p. 305), and placed upon p. 1, after the words "resident at " ("wohnhaft zu ").

(Signed) v. BOETTICHER.

Berlin, November 8, 1889.

No. 7.

Sir E. Malet to the Marquis of Salisbury.—(*Received March* 10.)

My Lord, *Berlin, March* 3, 1890.

WITH reference to my despatch of the 27th December last, I have the honour to transmit herewith a Memorandum containing information with regard to the fees payable by commercial travellers in the several States of the German Empire.

I have, &c.

(Signed) EDWARD B. MALET.

Inclosure in No. 7.

Memorandum from the German Government.

(Translation.)

ENGLISH commercial travellers whose business is restricted to purchasing goods from merchants, or from such persons as produce them, or else in public market-places, and to trying to obtain orders

for goods from merchants or persons in whose trade or business the goods offered for sale are used, are relieved of the duty of paying dues or fees within the Empire by virtue of the most-favoured-nation clause, so long as they carry about with them patterns of goods only, and not actual goods. They must, however, pay a trifling fee, which differs in the different States of the German Confederation, in order to obtain the necessary trade licence ("Gewerbelegitimationskarte").

2. Foreign commercial travellers, whose business is not restricted as described under paragraph 1, or who offer their wares for immediate sale (so-called retail travellers), are required to pay the duty levied in the separate Confederated States for the right of trading while moving from place to place, as well as the fee for the requisite "itinerant trade licence," the amount of which is also different in the various Confederated States.

March 3, 1890.

GREECE.

No. 8

Sir E. Monson to the Marquis of Salisbury.—(Received November 11.)

My Lord, *Athens, November* 5, 1889.

In accordance with your Lordship's instructions as conveyed in your Circular despatch of the 15th October, I have made a formal application to the Greek Government for information as to licences or fees imposed upon commercial travellers in this country, in order that the same may be presented to Parliament.

I mentioned the subject the other day to M. Tricoupi, who said that commercial travellers had every facility that could be granted to them for the free admission of their samples; and added that as immunities of this nature had been stipulated for in the Greco Commercial Treaty concluded a few years ago, British subjects, under the most-favoured-nation clause of the Anglo-Greek Treaty negotiated by my predecessor, would of course enjoy equal privileges.

I have, &c.

(Signed) EDMUND MONSON.

No. 9.

Sir E. Monson to the Marquis of Salisbury.—(Received December 9.)

My Lord, *Athens, November* 30, 1889.

With reference to my despatch of the 5th instant, reporting a conversation which I had with M. Tricoupi respecting the treatment of commercial travellers in this country, I have now the honour to inclose a copy of a note from the Greek Minister of Foreign Affairs, stating that such travellers are not subject to any licence or permit while travelling in Greece, as long as they are provided with authentic proof of their condition as such.

I have, &c.

(Signed) EDMUND MONSON.

Inclosure in No. 9.

M. Dragoumis to Sir E. Monson.

Ministère des Affaires Étrangères, Athènes,

M. le Ministre, *le* 16 (28) *Novembre,* 1889.

En réponse à la lettre que vous avez bien voulu m'adresser en date du 21 Octobre (2 Novembre), j'ai l'honneur de vous informer que les négociants voyageurs ou leur commis ne sont soumis en Grèce à aucune taxe et sont libres de circuler dans le pays sans permis spécial, pourvu que leur qualité de voyageurs de commerce soit constatée par un certificat délivré par les autorités compétentes de leur pays.

Veuillez, &c.

(Signé) E. DRAGOUMIS.

ITALY.

No. 10.

Mr. Dering to the Marquis of Salisbury.—(Received October 25.)

My Lord, *Rome, October* 23, 1889.

On the receipt of your Lordship's Circular despatch of the 15th instant, I made inquiries as to what, if any, restrictions are imposed in Italy on British commercial travellers in pursuit of their avocation.

I am now enabled, through the information supplied to me by Her Majesty's Consul in Rome, to inform your Lordship that no

restrictive measures have been adopted by Italy as regards this class of traveller.

Under the "most-favoured-nation" clause, British commercial travellers benefit by the Rules which were laid down in Article II of the Austro-Italian Commercial Treaty of the 7th December, 1887, explained by the Final Protocol annexed to that Treaty, and in Article XIII of the Treaty of Commerce with Switzerland dated the 23rd January, 1889.

I have the honour to inclose copies of the Treaty Articles above referred to, from which your Lordship will perceive that, beyond a certificate of identity, no fee nor licence is required, and that every facility appears to be given by the Italian Customs authorities for the free entry of all samples which commercial travellers may bring with them.

I have, &c.
(Signed) HENRY NEVILL DERING.

Inclosure 1 in No. 10.

Article II of the Austro-Italian Commercial Treaty of December 7, 1887.

Les négociants, les fabricants, et les industriels en général qui pourront prouver qu'ils acquittent, dans le pays où ils résident, les droits et impôts nécessaires pour l'exercice de leur commerce et de leur industrie, ne seront soumis, à ce titre, à aucun droit ou impôt ultérieur dans l'autre pays, lorsqu'ils voyagent ou font voyager leurs commis ou agents avec ou sans échantillons, dans l'intérêt exclusif du commerce ou de l'industrie qu'ils exercent, et à l'effet de faire des achats ou de recevoir des commissions.

Les sujets des Hautes Parties Contractantes seront réciproquement traités comme les nationaux, lorsqu'ils se rendront d'un pays à l'autre, pour visiter les foires et marchés, à l'effet d'y exercer leur commerce et d'y débiter leurs produits.

Les sujets d'une des Hautes Parties Contractantes, qui exercent le métier de charretier entre les divers points des deux territoires, ou qui se livrent à la navigation, soit maritime, soit fluviale, ne seront soumis, par rapport à l'exercice de ce métier et de ces industries à aucune taxe industrielle sur le territoire de l'autre.

Inclosure 2 in No. 10.

Extract from Final Protocol of Austro-Italian Commercial Treaty of December 7, 1887.

Ad Article II. § 1er.—Pour jouir de l'immunité des impôts sur l'exercice d'une industrie, les voyageurs de commerce Italiens en Autriche-Hongrie et les voyageurs de commerce Autrichiens et

Hongrois en Italie devront être munis d'une carte de légitimation industrielle dont le formulaire est ci-joint.

Ce document est valable pour le cours de l'année solaire pour laquelle il a été délivré.

§ 2. En ce qui regarde le commerce aux foires et marchés, les sujets de l'autre Haute Partie Contractante seront traités absolument sur le même pied que les propres nationaux, tant pour le droit de se rendre aux foires et marchés que pour les taxes à payer à raison de ce commerce.

(Formulaire.)

Carte de Légitimation Industrielle pour Voyageurs de Commerce.

Valable pour l'Année 18 .

Il est certifié, par la présente, que le Sieur N

fait le commerce (possède une fabrique) de

sous la raison sociale

est au service de la maison de commerce

en qualité de voyageur de commerce et que cette maison fait le commerce (possède une fabrique) de

à

Le Sieur N désirant recueillir des commandes et faire des achats de marchandises pour le compte de la susdite raison sociale ainsi que pour celui des raisons sociales suivantes :—

dans { la Monarchie Austro-Hongroise / le Royaume d'Italie }

il est certifié, en outre, que l dite raison sociale acquitte dans son (leur) pays les droits réglementaires pour l'exercice de son (leur) commerce.

Le porteur de la présente carte de légitimation est autorisé à recueillir des commandes et faire des achats de marchandises, mais exclusivement en voyageant et seulement pour le compte de dite raison sociale . Il pourra porter avec lui des échantillons, mais non des marchandises. En recueillant nos commandes et en faisant des achats il aura à se conformer aux Règlements en vigueur dans chaque État pour les voyageurs de commerce de la nation la plus favorisée, et il devra toujours être muni de la carte de légitimation.

(Endroit, date, signature, et sceau de l'autorité qui délivre la carte.)

(Signalement, domicile, et signature du voyageur de commerce.)

Inclosure 3 in No. 10.

Article XIII of Italo-Swiss Commercial Treaty of January 23, 1889.

Les négociants, les fabricants, et les industriels en général qui prouveront qu'ils acquittent, dans le pays où ils résident, les droits et impôts établis pour l'exercice de leur commerce et de leur industrie, ne seront soumis, à ce titre, à aucun droit ou impôt ultérieurs dans l'autre pays, lorsqu'ils voyagent ou font voyager leurs commis ou agents avec ou sans échantillons, dans l'intérêt exclusif du commerce ou de l'industrie qu'ils exercent, et à l'effet de faire des achats ou de recueillir des commandes. Mais, dans tous les cas, il n'auront droit à aucune faveur dont ne jouiraient pas les nationaux.

Pour jouir du traitement susdit, les voyageurs de commerce Italiens en Suisse et les voyageurs de commerce Suisses en Italie devront être munis d'une carte de légitimation industrielle.

Les objets passibles d'un droit d'entrée qui servent d'échantillons, et qui sont importés en Italie par des commis-voyageurs de maisons Suisses, et en Suisse par des commis-voyageurs de maisons Italiennes, seront de part et d'autre admis en franchise temporaire, moyennant les formalités de Douane nécessaires pour en assurer la réexportation ou la réintégration en entrepôt. Ces formalités seront réglées d'un commun accord entre les deux Gouvernements.

MONTENEGRO.

No. 11.

Mr. Baring to the Marquis of Salisbury.—(*Received December* 9.)

My Lord, *Cettinjé, December* 4, 1889.

I have the honour to acknowledge the receipt of your Lordship's Circular of the 15th October, and to state, in reply, that commercial travellers who visit this country are not obliged either to pay fees or to take out licences.

I have, &c.

(Signed) WALTER BARING.

NETHERLANDS.

No. 12.

Mr. Fenton to the Marquis of Salisbury.—(Received November 9.)

My Lord, *The Hague, November* 8, 1889.

I HAVE the honour to forward herewith a copy of the note whereby M. Hartsen has replied to an inquiry which, on the receipt of your Lordship's Circular despatch of the 15th ultimo, I made of his Excellency respecting the law of the Netherlands relative to the payment of fees or taking out of licences by foreign commercial travellers carrying on their operations in this country.

His Excellency states in his note that, whilst different and in some cases less favourable Regulations are in force with reference to Netherland commercial travellers and those of some other nationalities, as set forth in Article 7 of the Law of the 24th April, 1843 ("Staatsblad," No. 16), British commercial travellers pay, in virtue of Article I of the Convention of the 27th October, 1837, between Great Britain and the Netherlands, and in view of Article XXIV of the Treaty of the 31st December, 1851, between the Netherlands and the States of the Zollverein, a fixed licence duty of 15 fl. 36 c. (1*l.* 5*s.* 7$\frac{1}{5}$*d.*) per annum.

M. Hartsen further states that all commercial travellers enjoy the same advantages as regards the patterns which they bring into the Netherlands; that patterns having no commercial value are always admitted free of import duty into this country, whilst goods liable to duty which are imported by commercial travellers to serve only as patterns are also admitted provisionally free of duty, on condition of the observance of the necessary Customs formalities for securing the re-exportation of such goods.

I have, &c.

(Signed) H. P. FENTON.

Inclosure in No. 12.

M. Hartsen to Mr. Fenton.

M. le Chargé d'Affaires, *La Haye, le 7 Novembre,* 1889.

EN réponse à votre office du 16 Octobre dernier, j'ai l'honneur de porter à votre connaissance que tandis que des dispositions différentes et moins favorables sont en vigueur pour les commis-voyageurs Néerlandais et les commis-voyageurs de quelques autres nationalités étrangères, notamment les dispositions de l'Article 7 de la du Loi 24 Avril, 1843 (T. O. No. 16), les commis-voyageurs Anglais payent en vertu de l'Article I^{er} de la Convention entre les Pays-Bas et la Grande-Bretagne du 27 Octobre, 1837, et en égard

à la teneur de l'Article XXIV du Traité entre les Pays-Bas et les Etats du Zollverein du 31 Décembre, 1851, un droit de patente fixe de 15 fl. 36 c.

Les voyageurs de commerce étrangers jouissent du reste indistinctement des mêmes avantages en ce qui concerne les échantillons qu'ils importent dans les Pays-Bas. Tandis que les échantillons sans valeur commerciale sont toujours exempts de droits d'entrée, il est accordé en outre aux commis-voyageurs étrangers pour les marchandises, qui sont passibles d'un droit d'entrée, mais qui servent uniquement d'échantillons, une franchise temporaire, à la condition que les formalités de Douane nécessaires pour assurer la réexportation de ces marchandises soient remplies.

Veuillez, &c.

(Signé) HARTSEN.

PORTUGAL.

No. 13.

Mr. Petre to the Marquis of Salisbury.—(Received January 18.)

My Lord, *Lisbon, January* 14, 1890.

In answer to your Lordship's Circular despatch of the 15th October last respecting Regulations affecting commercial travellers in Portugal, I have the honour to state that, not having received any reply to my written request for information on the subject, I caused inquiry to be made in the Commercial Department of the Ministry for Foreign Affairs, and the answer given was that no Regulations of the kind existed in Portugal.*

I have, &c.

(Signed) GEORGE G. PETRE.

ROUMANIA.

No. 14.

Sir F. Lascelles to the Marquis of Salisbury.—(Received January 21.)

My Lord, *Bucharest, January* 17, 1890.

With reference to your Lordship's Circular despatch of the 15th October last, I have the honour to inclose a précis by Mr. Browne of the Regulations affecting commercial travellers, as well as of the fees levied for licences.

* A further despatch from Mr. Petre adds that commercial travellers, in common with others engaged in trade in Portugal, are subject to the provisions of the Civil Code and section 5 of the Commercial Code. This latter, however, relates to registration in Commercial Courts which is not compulsory.—Ed.

The delay which has occurred in forwarding this information to your Lordship is due to the fact of my having but just received from the Minister for Foreign Affairs copies of the Laws bearing on this subject.

I have, &c.
(Signed) FRANK C. LASCELLES.

Inclosure in No. 14.

Précis of the Regulations affecting Commercial Travellers, Commission Agents, &c., in Roumania.

COMMISSION agents, commercial agents, commercial travellers and, in general, all who serve as intermediaries between manufacturers and commercial houses, shall declare in writing to the Chamber of Commerce, or, failing the Chamber of Commerce, to the local Communal authorities ("Primaria") the houses or manufactories for which or in whose name they work, and at the same time they shall deposit a copy of the power of attorney in virtue of which they are authorized to receive orders for their respective houses, whether wholesale or retail.

This power of attorney shall be drawn up in accordance with the laws of the country where it is issued, and duly legalized by the Roumanian Legation in that country.

The Chamber of Commerce to whom such a power of attorney is presented shall register and keep in its archives a legalized copy of this document, recording the date, the articles or products concerned, as well as the names of the commission agents and of the house represented, and shall also deliver a certificate that it has deposited and registered the same.

When the power of attorney is presented to the local Communal authorities, they shall inscribe the same and send a legalized copy to be kept by the Chamber of Commerce of the district in which the Commune is situated.

Due notice shall also be given by the agent or intermediary to the Chamber of Commerce of the withdrawal of the authorization to represent this or that house or manufactory.

It is stated in Article 9 of the Law on Licences ("Legea Patentelor") that persons who come provisionally from abroad with different manufactures or other articles, and who sell them in retail to individuals, or wholesale to commercial houses, are considered as itinerant ("ambulanti"), and are subjected to a tax of half that paid by merchants dealing in similar articles, *sc.*, as a rule $2\frac{1}{2}$ per cent. per annum.

RUSSIA.

No. 15.

Sir R. Morier to the Marquis of Salisbury.—(Received November 12.)

My Lord, *St. Petersburgh, November 5, 1889.*

In reply to your Lordship's Circular despatch of the 15th ultimo, I have the honour to transmit to your Lordship herewith a Memorandum drawn up by Mr. Michell, in which it is stated that commercial travellers need not provide themselves with licences for the prosecution of their business in any part of the Russian Empire, except the Grand Duchy of Finland, where certain taxes are imposed, as well as fines for non-compliance with the Regulations, on Russian commercial travellers, as well as on those of all other nationalities.

I have, &c.
(Signed) R. B. D. MORIER.

Inclosure in No. 15.

Memorandum by Mr. Michell.

Commercial travellers, when visiting all parts of the Empire, with the exception of the Grand Duchy of Finland, need not provide themselves with licences for the legal prosecution of their business.

In Finland, however, by a Decree issued on the 26th January, 1889, the provisions of which apply as well to Russian commercial travellers as to those of all other nationalities, all such travellers offering or disposing of wares of foreign origin for their own account, or for that of others, are liable, after a residence exceeding three days in Finland, to a tax of 120 marks (about 5*l.*) for the right of trading during one month, reckoning at the rate of a complete month, although only a part of that month may be devoted to trading in the country. At the expiration of a month for which the licence was issued, the same must be renewed for a further period of one month, and so on, according to the duration of the time of the commercial traveller's transaction of business in the Grand Duchy.

For the infraction of the foregoing Decree a fine is imposed in addition to the exaction of the established tax, and the proceeds of the fine are shared equally between the informer and the poor.

(Signed) JOHN MICHELL.

St. Petersburgh, November 1, 1889.

No. 16.

Sir R. Morier to the Marquis of Salisbury.—(*Received December* 2.)

My Lord, *St. Petersburgh, November* 26, 1889.

In accordance with the instructions contained in your Lordship's despatch of the 16th instant, I have the honour to transmit to your Lordship herewith copy of a translation by Mr. Vice-Consul Cooke, of Helsingfors, of a Notice issued by the Finance Department of the Grand Duchy of Finland, stating that where Commercial Treaties have been concluded between Russia and foreign States, the subjects of those States when trading in Finland shall be freed from the payment of all taxes other than or higher than those imposed on the inhabitants of the country.

This new Order rescinds the Decree of the 17th December, 1888, of which a translation was forwarded to your Lordship in my despatch of the 11th February last, as regards the subjects of the States above referred to.

I have, &c.
(Signed) R. B. D. MORIER.

Inclosure in No. 16.

Notice.

(Translation.)

As uncertainty seems to exist concerning the application of paragraph 1, section 1, of the Decree dated the 17th December, 1888, touching the tax which shall be imposed on foreigners trading in Finland during the years 1889, 1890, and 1891, the Finance Department, in accordance with the determination of the Senate, gives notice that when Commercial Treaties have been concluded between Russia and certain foreign States, the subjects of those States when trading in Finland shall be freed from the payment of all taxes other than or higher than those imposed on the inhabitants of the country; hence the trading tax named in paragraph 1, section 1 of the above-mentioned Decree shall not be applied to the merchants or travellers of those States, nor to Russian subjects of the same category.

SERVIA.

No. 17.

Mr. F. R. St. John to the Marquis of Salisbury.—(Received November 1.)

My Lord, *Belgrade, October 28, 1889.*

In obedience to the instructions contained in your Lordship's Circular despatch dated the 15th instant, I have the honour to subjoin a brief summary of the Regulations affecting commercial travellers which are at present in force in Servia.

Commercial travellers must be provided with a document in accordance with the form herewith inclosed (which, in order to avoid delay at the frontier, should be drawn up or accompanied by a translation in the German language), as, if they arrive in Servia without such a document, properly certified by the authorities in their own country, they would subject themselves to the payment of a trade tax.

An import duty is charged on all samples and patterns, for which a drawback is given if required, the amount being repaid on re-exportation. But if this occurs at some other place than that of entry, then due notice must be given at the latter place in order that the traveller's desire may be notified to the Customs authorities at the intended place of exit.

Besides the above-mentioned import duty, which is levied provisionally, all samples and patterns are subjected to the following charges, the money thus paid not being returned on their re-exportation:—

For loading (per 100 kilog.), 20 centimes.
For weighing (per 100 kilog.), 8 centimes.
For paving (per 100 kilog.), 10 centimes.
For warehousing (per 100 kilog. and per day), 5 centimes.

I have &c.
(Signed) F. R. ST. JOHN.

Inclosure in No. 17.

Trade Certificate for Commercial Travellers, good for the year 18 .

It is hereby certified that Mr. is the owner of a warehouse (manufactory) in , under the firm .

As Mr. intends to solicit orders for the said firm, and for the following mentioned firms, , in the Kingdom of Servia, he is hereby enjoined to conform to the Regulations of this country in his commercial operations for the aforesaid firm.

The bearer of this certificate is authorized to travel to take up orders and to make purchases exclusively in behalf of the aforesaid firms. He shall take patterns only, but no wares. In soliciting orders and in making purchases he shall observe the Regulations of the country.

(Name of place, date, signature, and seal of the certifying authorities.)

(Description. residence, and signature of traveller.)

(German Translation.)

Gewerbe-Legitimationskarte für Handlungsreisende Giltig für das Jahr 18 .

Es wird hiermit bescheinigt, dass Herr eine Waarenhandlung (Fabrik) in unter der Firma besitzt.

Im Dienste der Firma als Handlungsreisender steht, welche Firma eine Waarenhandlung (Fabrik) in besitzt.

Ferner wird, da Herr für Rechnung der genannten Firma und ausserdem nachfolgender Firmen in dem Königreich Serbien Waarenbestellungen aufzusuchen und Waarenanköufe zu machen beabsichtigt, hiermit bescheinigt, dass für den Gewerbebetrieb der vorgedachten Firm im hiesigen Lande die gesetzlich bestehenden Abgaben zu entrichten sind.

Inhaber dieser Karte ist ausschliesslich im Umherreisen und ausschliesslich für Rechnung der vorgedachten Firm berechtigt Waarenbestellungen aufzunehmen und Waarenanköufe zu machen. Er darf nur Waarenmuster, aber keine Waaren mit sich führen. Bei dem Aufsuchen von Bestellungen und bei den Anköufen hat er die in jenem Staate giltigen Vorschriften zu beachten.

(Ort, Datum, Unterschrift, Stempel der austellenden Behörde.)

(Personalbeschreibung, Wohnort, Unterschrift des Reisenden.)

SPAIN.

No. 18.

Sir Clare Ford to the Marquis of Salisbury.—(Received November 19.)

My Lord, *Madrid, November* 16, 1889.

With reference to your Lordship's Circular despatch of the 15th ultimo, requesting me to report to your Lordship with regard to the Regulations in vigour in Spain affecting commercial travellers, I have the honour to inclose herein a précis of certain

information which I have received on the subject from Her Majesty's Consular Agents in this country, with the exception of Her Majesty's Consul at Corunna, whose Report has not yet reached me. According to the terms of the Convention entered into between the Governments of Great Britain and Spain respecting the commercial relations of the two countries which was signed at Madrid on the 26th April, 1886, most-favoured-nation treatment is accorded to Great Britain co-extensive in amount of benefit with that accorded to France and Germany under the Treaties of the 6th February, 1882, and the 12th July, 1883. Article V of the German Treaty and Article IX of the French Treaty with Spain deal with the subject of commercial travellers; and for facility of reference I inclose herein translations of the Articles out of those Treaties, which will place your Lordship in possession of the exact position occupied at present by commercial travellers in Spain.

I have, &c.
(Signed) FRANCIS CLARE FORD.

Inclosure 1 in No. 18.

Précis of Statements received from Her Majesty's Consuls in Spain in regard to Regulations affecting English Commercial Travellers.

Barcelona District (including Valencia and Alicante).

THE answers given by the local officials to the questions put to them on the above subject are somewhat ambiguous; a licence costing about 6*l.* 18*d.* is taken out by travellers in plate and jewellery, and one of which the price is about 5*l.* 10*d.* by those dealing in hardware or dry goods, both of which charges are increased by a supplementary rate of about 34 per cent. But a traveller whose nationality brought him under the protection of a Commercial Treaty with any stipulation in his favour naturally benefits thereby.

It is suggested that British commercial travellers in the province who enjoy exemption under the most-favoured-nation treatment clause in the Anglo-Spanish Treaty might, nevertheless, do well to apply at the office of the "Delegado de Hacienda" at Barcelona and obtain a "patente" (licence), which would be issued to them gratis.

If a commercial traveller go beyond his business of taking orders, and imports or exports goods as a merchant, he renders himself liable to any tax imposed on local merchants.

Bilbao District.

No fees or licences are required, but a passport or other document establishing identity should be forthcoming. For any goods

subject to Provincial or Municipal dues, a deposit for the amount is exacted over and above any duties levied by the Customs.

Cadiz District.

No special Regulations are reported as being in existence.

Malaga District.

A similar absence of Rules prevails, and no customs duties are charged on samples so long as they are not in saleable quantities. If samples that might be sold are introduced, an entry respecting them might be made at the Custom-house, and on its being shown that no actual sales had been effected, duty would not be payable.

Palma (Balearic Islands).

No restrictions are enforced beyond the observance of Customs Regulations, and the only inconvenience which might possibly arise would be from the neglect on the part of a commercial traveller to have his samples or goods of value declared previously to embarkation for the islands.

It may be added, in conclusion, that information given by a traveller for a French firm for haberdashery, &c., is to the effect that no practical difficulties are experienced in this branch of business, and that the best plan on the whole is to pay duty on entering the country on any samples or parcels of goods which may be brought with a view to possible immediate sale, and to sacrifice the amount paid on articles remaining unsold and taken away again, the recovery of drawback not being worth the trouble of the formalities to be observed.

Madrid, November 14, 1889.

Inclosure 2 in No. 18.

Article IX of Commercial Treaty between Spain and France of February 6, 1882.

(Translation.)

SPANISH manufacturers and merchants, and also commercial travellers travelling in France on the business of a Spanish house, and, reciprocally, French manufacturers, traders, and commercial travellers travelling in Spain in the interest of a French house, shall be entitled to effect, without thereby being subjected, either in France or Spain, to any duty, purchases requisite for their trade, and to book orders with or without samples, but without any hawking of merchandize.

Inclosure 3 in No. 18.

Article V of Commercial Treaty between Spain and Germany of July 12, 1883.

(Translation.)

MERCHANTS and manufacturers, who are able to prove in the usual international way that in the country of their domicile they have been duly recognized as such, shall in this respect, in the territories of the other party, pay no dues or taxes if they, with or without samples, but without taking about with them any goods, travel themselves through the country, or send commercial travellers or agents in the interests of their commercial or industrial business for the purpose of making purchases or of obtaining orders.

It is, however, to be understood that the above arrangement is not to contravene the Laws and Ordinances on pedlery, which, in each of the two countries, apply to all foreigners.

Articles liable to customs duty, which are introduced as samples by merchants, manufacturers, and commercial travellers, shall mutually be relieved from duties, on the understanding that these articles be re-exported unsold within a period settled beforehand, with the proviso that the Custom-house formalities for the re-exportation or for the re-warehousing of the goods be complied with. These formalities shall be established by common understanding between the two Governments.

No impediment shall be placed on the movements of travellers, and the administrative formalities with reference to travellers' papers required on entering the territories of the High Contracting Parties, as well as on leaving the same, shall be limited to what the public safety absolutely requires.

SWEDEN AND NORWAY.

No. 19.

Sir F. Plunkett to the Marquis of Salisbury.—(*Received November* 16.)

My Lord, *Stockholm, November* 12, 1889.

IN reply to your Lordship's Circular despatch of the 15th ultimo, I have the honour to report that the Laws of Sweden and of Norway differ considerably on the question of commercial travellers.

In Sweden foreign commercial travellers doing business in the country have to take out a licence, the price of which is 100 kronor (5*l.* 11*s.*), good for three months. This licence may be prolonged on payment of 40 kronor (2*l.* 4*s.* 6*d.*) a-month. Any foreigner doing business in Sweden without having first procured this licence renders himself liable to a fine of from 100 to 500 kronor (5*l.* 11*s.* to 27*l.* 15*s.*).

The Riksdag proposed to extend the operation of this Law, not only by raising the tax, but also by applying it to all commercial travellers, whether of foreign or Swedish nationality, who might be employed in Sweden by foreign houses.

The King has not so far sanctioned this extended proposal; the Law therefore still remains as shown in the inclosed translation of the Decree of the 15th October, 1880.

By Article XVII of the Treaty of the 30th December, 1881, between Sweden and Norway and the French Republic, the latter has accepted the levying of this tax on French citizens, reserving only the right of reciprocity as regards Swedish and Norwegian commercial travellers in France. Copy of the French text of this Article is herewith inclosed.

Frequent complaints have been made of the severity with which this Law is enforced, and of the inconvenience which has arisen to British commercial travellers from non-compliance with it.

Quite lately the English representative of a firm of London tailors has been fined 100 kronor, besides having to take out two licences at 100 kronor a-piece under what seem peculiarly hard circumstances.

On arrival from England at Gothenburg, this gentleman applied for a licence as a commercial traveller, and paid the regular fee of 100 kronor. Unfortunately, however, instead of taking out the licence in his own name, he took it out in the name of the firm which he represents.

On arrival at Stockholm provided with this licence, he entered the business name of his firm in the hotel register and commenced seeking for orders. One day a detective addressed the gentleman, who gave his proper name, explaining at the same time that he represented the London firm above alluded to.

He was thereupon summoned before the Police Court, and the British Acting Consul was present at the hearing of the case. The gentleman stated he could give evidence at Gothenburg that he was the person who had applied and paid for the licence in dispute. The Public Prosecutor, however, pointed out that irregularities might arise if the taking out of the licences in the name of a firm, instead of in the individual name of a traveller, were allowed, and demanded that the gentleman should be fined 100 kronor, and ordered to take out a fresh licence in his own name. The Court decided accordingly, and the fine has been deposited, but an appeal will be made to the Upper Court.

In Norway, on the contrary, commercial travellers require no licence, and are only limited, nominally, in respect of the quantities for which they can take orders, or dispose of any goods they may bring with them.

Translation of the Norwegian Law on this point is forwarded herewith.

I have, &c.
(Signed) F. R. PLUNKETT.

Inclosure 1 in No. 19.

SWEDEN.

Law concerning Foreigners or others in this Kingdom who are not registered as Tradesmen or Business Men.

(Translation.)

A FOREIGNER or person domiciled abroad, not registered and assessed as a Swedish subject, who travels about the country either on his own account or on behalf of others for the purpose of introducing trade, whether or not he carries samples of goods, who offers goods for sale, or negotiates any business whatever with regard to foreign goods to be delivered at a future date from abroad, shall, on entering the kingdom, give information, in writing, to the nearest tax collector in the town as to how long he intends staying in the country, and at the same time make payment of 100 kronor for the privilege of carrying on such business for a maximum period of three months. If, after expiration of that term, he should wish to continue carrying on business, he must pay in advance a further sum of 40 kronor. This payment can be made for a longer period than one month, but for no shorter term, the licence being always valid for one full month, and it may be paid to the Government collector of taxes of the town in the district in which he (the commercial traveller) may be resident at the time of making the payment.

The receipt for the sum paid should be given on a printed form, which, after due examination, should be forwarded to the Head of the Revenue Department for transmission to the Government Collector of Revenues in the towns. These forms, some of which should be for 100, some for 40 kronor, must bear a printed Memorandum of the Regulations in force respecting this description of business.

Any foreigner or foreigner's representative, even though he be a Swedish subject, who, without having paid the regulation fees, attempts to negotiate business in foreign goods, shall, in addition to the payment of 100 kronor, be liable to a fine of from 100 to 500 kronor inclusive.

Offences against this Act fall within the competence of the Police Courts, in places where such exist, and, in default, of the Central Courts. The proceeds of the fine are to be shared by the informer and by the district in which the offence has been committed.

Inclosure 2 in No. 19.

NORWAY.

Law of August 8, 1842, *amplified by the Law of June* 4, 1866.

(Translation.)
(Extract.)

§ 24. Travelling merchants or merchants' clerks (commercial travellers), whether native or alien, shall not take orders for goods except in the market towns of the kingdom, nor for smaller quantities than those specified in section 21 (of the Law of the 8th August, 1842),* and in the Law of the 4th June, 1866, unless the order shall be given by a local licensed trader. If they bring their goods with them, the lawfulness of the sale thereof shall in every respect be determined by the provisions of section 21 of the Law of the 8th August, 1842, as amplified by the Law of the 4th June, 1866.

No. 20.

Sir F. Plunkett to the Marquis of Salisbury.—(*Received December* 6.)

My Lord, *Stockholm, December* 1, 1889.

I HAVE the honour to report that the increase on the tax on commercial travellers, referred to in my despatch of the 12th ultimo, has been sanctioned by the King, and will come into force on the 1st of next January.

The licence fee of 100 kronor (5*l.* 11*s.*) at present gives the right of doing business as a commercial traveller for a period of three months, but after the 1st January the time for which the payment of 100 kronor holds good will be limited to one month.

This important change in the position of commercial travellers is made by paragraph 6 of the Royal Decree concerning "taxes for peculiar advantages and rights." This Decree, although dated the 5th October, has only lately appeared in the Official Collection of Laws. A translation of the paragraph in question is herewith

* This paragraph, as amended in 1866, permits aliens as well as natives of every description (not being licensed traders) to import foreign goods and to sell them in the market towns of the kingdom on the following conditions:—

1. That the sales shall be effected from the vessel in which they shall have been brought, or by giving them to a local licensed trader for sale on commission or by public auction.

2. That in the case of sales effected from on board ship or by public auction, the quantities thus sold shall not be smaller than those specified in the list attached to the Law.

Observation.—As commercial travellers must necessarily deal with "local licensed traders," whether they desire to take orders for goods or to sell such samples or goods as they may have brought with them, it is unnecessary to reproduce the long list of imitations in quantity attached to the Laws of 1842 and 1866.

inclosed, and your Lordship will notice that Norwegian subjects are specially mentioned as exempt from its provisions.

I have, &c.

(Signed) F. R. PLUNKETT.

Inclosure in No. 20.

Extract from an Act respecting Taxes for certain peculiar Advantages and Rights.

ANY foreigner or Swedish subject residing abroad who has not paid taxes to the Swedish Government at the last collection, travelling about the country either on his own account or on that of another person with the view of effecting sales of foreign commodities to be delivered in the immediate future, whether travelling with or without samples, on entering this kingdom must send in a written declaration to the nearest collector of taxes living in the town, stating how long he intends to remain, and inclosing 100 kronor (5*l.* 11*s.* 1½*d.*) as payment in advance for every month or part of a month of his intended stay for the privilege of carrying on his business. This payment, whether for one month or for a longer period, must be made to the tax collector of the principal town of the province in which the traveller is resident at the time. The receipt for the sum paid should be applied for on a printed form which must be forwarded to the Governor of the province. The receipts are supplied by him to the tax collectors in the towns; they shall be for 100 kronor each, and must contain a notice concerning the due observance of the law on such trading.

The foreigner or Swedish subject who wishes to effect sales of foreign commodities before beginning to transact such business must prove to the police that he has paid the proper sum, and, should he demand it, the police must give him a certificate in order to furnish him with proof of having duly applied to them.

Should any one have neglected to pay the tax, or not have given information to the police before entering on business, he will be liable to a fine of from 100 kronor (5*l.* 11*s.* 1½*d.*) to 500 kronor (27*l.* 15*s.* 7½*d.*), and also in the first instance must pay for a licence for the time during which he was carrying on business illegally.

Offences against this enactment fall within the competency of the Police Courts where such exist, and, in default, of the Central Courts. The proceeds of the fines shall be equally divided between the informer and the Municipality in which the offence was committed.

The sums thus collected must be placed with other moneys belonging to the Crown in the Provincial Treasury. At the end of each year an account must be made out of the receipt forms paid in, which must be forwarded to the Governor of the province, who, after having certified it to be correct, must forward it to the Swedish Treasury before the end of the following January to be compared with the account from the Provincial Treasury.

A proper account of the receipt forms furnished by the Central authorities to the Governors of the provinces (which, until delivered

to the tax collectors, should be kept in the Provincial Treasury) should be sent in before the end of January.

The above Law does not apply to Norwegians dealing in Norwegian products.

SWITZERLAND.

No. 21.

Mr. Scott to the Marquis of Salisbury.—(*Received November* 4.)

My Lord, *Berne, October* 31, 1889.

In obedience to the instructions of your Lordship's Circular despatch of the 15th instant, I have the honour to report that commercial travellers are subjected in Switzerland to licence fees in accordance with the varying Regulations of the twenty-five Cantons and half Cantons forming the Swiss Confederation.

Commercial travellers, however, who are subjects or citizens of States having Treaties with the Confederation containing "most-favoured-nation treatment" clauses are exempted from these fees and licences if they are *bonâ fide* travellers for orders and do not carry about goods for sale.

This exemption is secured to them by Article XXII of the Franco-Swiss Commercial Treaty of 1882, which, in translation, runs as follows:—

"French commercial travellers travelling in Switzerland on account of a French house, and, reciprocally, Swiss commercial travellers travelling in France on account of a Swiss house, may, on the production of a card of legitimation in conformity with the pattern annexed to the present Treaty (letter H), or on mere justification of their identity, make, without being subjected to any licence fee, purchases for the needs of their industry, or collect orders, with or without patterns, if they do not carry about goods for sale."

In the inclosed official list of the different licence fees collected in the twenty-five Cantons and half Cantons, it is expressly stated that commercial travellers for orders who belong to States enjoying by Treaty most-favoured-nation treatment in Switzerland are exempted from these fees.

It will be seen that, with very few exceptions, Swiss commercial travellers do not enjoy similar exemption even in their own Cantons.

I inquired of M. Droz, the Head of the Federal Foreign Office, what document British commercial travellers would require in order to secure this exemption, and his Excellency replied that it should be a document clearly showing that the traveller in question was employed for a house of business having a British nationality and domicile.

I have the honour to inclose herewith a copy of the Form (H annexed to the French Treaty of Commerce.

I have, &c.

(Signed) CHARLES S. SCOTT.

Inclosure in No. 21.

Form (H) annexed to French and Swiss Commercial Treaty of 1882.

RECTO.

Carte de Légitimation pour Voyageurs de Commerce.

Pour l'Année 18 . (Armoiries.) No. de la Carte

(Valable en France et en Suisse.)

Porteur :

Nom et prénom

A , le 18

(Autorité qui délivre la carte.)

(L.S.) Signature.

VERSO.

IL est certifié par la présente que le porteur de cette carte
{ possède* à
{ est commis-voyageur au service de la maison à
{ sous la raison sociale
{ qui y possède* .

Le porteur de cette carte se proposant de recueillir des commandes et de faire des achats de marchandises pour cette maison et pour les maisons ci-après désignées :—

1. à
2. à

il est certifié que :

{ 1 dite maison astreinte à payer dans ce pays les taxes légales pour l'exercice d'un commerce ou d'une industrie.
{ 1 dite maison autorisée à exercer un commerce ou une industrie dans ce pays.

Signalement du Porteur :

Age : .
Taille :
Cheveux :
Signes particuliers : .

(Signature du porteur.)

Remarque.—Des deux lignes marquées sur le formulaire, on ne doit remplir que la signe supérieure ou la ligne inférieure, selon qu'il s'agit, pour la première ligne, d'un négociant ou d'un fabricant, ou d'un voyageur de commerce pour la seconde ligne. Le formulaire devra donner pour cela un espace suffisant.

(Signatures.)

Note.—Les ratifications ont été échangées à Paris, le 12 Mai, 1882.

* Nature de la fabrique ou du commerce.

TURKEY.

No. 22.

Sir W. White to the Marquis of Salisbury.—(Received November 29.)

My Lord, *Constantinople, November* 21, 1889.

In reply to your Lordship's Circular despatch of the 15th ultimo, I have the honour to inclose a copy of a despatch addressed to me by Mr. Fane on the subject of the fees and licences of commercial travellers.

The proposed Licensing Law, which has not yet received the necessary acceptance by the Powers, and thus cannot be enforced, takes no cognizance of commercial travellers, but only of hawkers in Article 3, No. 14.

I have, &c.
(Signed) W. A. WHITE.

Inclosure in No. 22.

Mr. Fane to Sir W. White.

Sir, *Constantinople, November* 20, 1889.

With reference to Foreign Office Circular despatch of the 15th ultimo, I have the honour to report to your Excellency that in Turkey commercial travellers are not required either to pay fees or to take out licences.

I have, &c.
(Signed) EDMUND FANE.

COMMERCIAL. No. 14 (1890).

REPORTS

FROM

HER MAJESTY'S REPRESENTATIVES ABROAD

ON THE

REGULATIONS

RESPECTING

COMMERCIAL TRAVELLERS.

PART II.—EXTRA-EUROPE.

Presented to both Houses of Parliament by Command of Her Majesty.
July 1890.

LONDON:
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Reports from Her Majesty's Representatives abroad on the Regulations respecting Commercial Travellers.

Circular addressed to Her Majesty's Representatives at Buenos Ayres, Rio de Janeiro, Santiago, Bogotá, Quito, Cairo, Tôkiô, Mexico, Monte Video, Tangier, Tehran, Lima, and Washington.

Sir, *Foreign Office, October* 15, 1889.

It is stated that in some countries commercial travellers are obliged to pay fees and to take out licences, and that, through ignorance of the law upon this subject, British subjects so employed have met with much inconvenience.

I have accordingly to request that you will send home, with as little delay as possible, for presentation to Parliament early next Session, a translation or brief summary of the Regulations affecting such travellers which are at present in force in the country to whose Government you are accredited.

I am, &c.
(Signed) SALISBURY.

Answers to preceding Circular.

Part II.

ARGENTINE REPUBLIC.

No. 1.

Mr. Pakenham to the Marquis of Salisbury.—(*Received March* 1.)

My Lord, *Buenos Ayres, February* 3, 1890.

In reply to your Lordship's Circular despatch of the 15th October, 1889, on the subject of the fees levied on commercial travellers in the Argentine Republic, I have now the honour to inclose translation of the answer of the Argentine Minister for Foreign Affairs, which is to the effect that persons following this occupation in the Federal capital itself, *i.e.*, the city of Buenos Ayres, are obliged to take out a broker's licence, which is valid therein only. Commercial travellers proceeding on business to any of the provinces become subject to the local Regulations.

I have, &c.

(Signed) F. PAKENHAM.

Inclosure in No. 1.

Dr. Zeballos to Mr. Pakenham.

(Translation.)

Ministry for Foreign Affairs, Buenos Ayres,

M. le Ministre, *January* 30, 1890.

In reply to the note, dated the 21st November last, in which you were pleased to request information as to the licence and fees which have to be paid by commercial travellers, I have the honour to acquaint your Excellency that, from the information received from the Ministry of Finance, it appears that persons who practise the business referred to in the Federal capital of the Republic are obliged by law to take out a broker's licence, inasmuch as their occupation or business is no other than the itinerant sale of

merchandize in consideration of a commission which they receive from their employers.

Furthermore, I must point out to your Excellency that, in the event of the traders in question leaving the territory of the capital and proceeding to any of the provinces to pursue the same business, the licence above mentioned ceases to be valid, and they remain subject to the Regulations which are in force on the subject in each province.

I renew, &c.

(Signed) ESTANISLAS ZEBALLOS.

BRAZIL.

No. 2.

Mr. Wyndham to the Marquis of Salisbury.—(Received December 12.)

My Lord, *Rio de Janeiro, November* 13, 1889.

I HAVE the honour to acknowledge the receipt, on the 6th instant, of your Lordship's Circular despatch of the 15th ultimo, instructing me to report upon the Laws and Regulations in force in this country respecting commercial travellers' licences and fees.

The Minister for Foreign Affairs, to whom I applied at once for information on the subject, states in a note of yesterday's date that he has already forwarded my request to the proper Department of the Government.

I have, &c.

(Signed) HUGH WYNDHAM.

No. 3.

Mr. Wyndham to the Marquis of Salisbury.—(Received March 1.)

My Lord, *Rio de Janeiro, February* 4, 1890.

WITH reference to my despatch of the 13th November last, respecting commercial travellers, I have the honour to report that on the 16th December last I received a note from Senhor Bocayuva, Minister for Foreign Affairs in the Provisional Government, giving me certain information, which, however, appeared to refer to pedlars, and not to commercial travellers. I therefore called his attention to this in a note dated the 23rd December, copy of which is herewith inclosed, and on the 30th of that month

he was good enough to inform me that he had referred the matter to the Ministry of Finance.

I had yesterday the honour to receive your Lordship's further communication of the 8th ultimo, reminding me that no information had been received from me on this point, and I accordingly wrote to-day to the Ministry for Foreign Affairs, begging that I might be furnished with the promised information.

In the meantime, I inclose to your Lordship translations of the note, and its inclosures, which Senhor Bocayuva addressed to me on the 16th December last.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure 1 in No. 3.

Mr. Wyndham to Senhor Bocayuva.

Rio de Janeiro, December 23, 1889.

THE Undersigned has the honour to thank Senhor Bocayuva for his note of the 16th instant, in which he is so good as to give him information as to the taxes which are levied on commercial travellers ("negociantes ambulantes ou mascates").

These "negociantes ambulantes ou mascates" would, however, appear to be what are known in England as pedlars or hawkers, who go about the country, generally on foot, selling cheap goods, books, &c. The commercial travellers, to whom Her Majesty's Government apparently refer, are a different class, and would, the Undersigned thinks, be denominated "commissarios" in Brazil, *i.e.*, persons who travel with patterns to take orders for their firms; and he would therefore be exceedingly obliged to Senhor Bocayuva if he would be so good as to inform him to what taxes, if any, the latter class of persons are subject in Brazil.

The Undersigned avails, &c.
(Signed) HUGH WYNDHAM.

Inclosure 2 in No. 3.

Senhor Bocayuva to Mr. Wyndham.

Rio de Janeiro, Ministry for Foreign Relations,
(Translation.) *December* 16, 1889.

THE Minister of Foreign Relations of Brazil, in addition to the note addressed on the 12th November last to Her Britannic Majesty's Legation, informs said Legation that travelling dealers, or pedlars, as they are denominated in the Regulation annexed to

the Decree No. 9870 of the 22nd February, 1888, are subject to the following taxes:—

1. As regards the general revenue, to the taxes mentioned in Schedule (A) of the said Regulation, which, at p. 53, specifies, under the word "pedlar," the different descriptions of this class and the Schedules in which they are included, the taxes also varying according to locality.

2. To the tax due for the licence, to be obtained from the Municipal Chambers, to enable them to follow their trade in the places which they desire to traverse.

3. To the duties denominated hereto "provincial," but actually belonging to the revenue of the State of this Republic wherein their trade is followed.

In these two last cases the taxes vary according to the Municipality of the State traversed by the dealer.

The Minister of Foreign Relations, with a view to more fully comply with the wishes of the British Legation, incloses herewith a copy of the quoted Regulation, and copies of Article 44, No. 3, of the Law No. 628 of the 17th September, 1851, and Edict of the Illustrious Municipal Chamber of the 27th July, 1852, which treat of what is established, with reference to this matter, in the municipal district of this capital.

As regards other Municipalities forming the limits of the actual States of Brazil, municipal legislation is generally uniform; bearing in mind, however, that in virtue of Article 2, paragraph 4, of the Decree of the 20th November last, the powers conferred by the Additional Act on the extinct Provincial Assemblies regarding the settling of municipal expenditure, and dues necessary for same, have ceased to exist.

(Signed) Q. BOCAYUVA.

Inclosure 3 in No. 3.

Extract of Law No. 628 of September 17, 1851, establishing the Expenditure and estimating the Receipts for the financial year 1852–53.

(Translation.)

ARTICLE 44. The Municipal Chamber of Rio de Janeiro is authorized to collect:—

* * * * *

3. From 20 to 100 milreis for annual licences granted to pedlars who trade within the municipal district, according to the value of the goods they deal in, which shall be regulated by a Table, subject to the approval of the Government.

Conferred:

(Signed) PAULA FONSECA.

Correct:

(Signed) VISCONDE DE CABO FRIO.

Inclosure 4 in No. 3.

Edict of July 27, 1852.

(Translation.)

Table of Taxes payable by Pedlars.

THE Illustrious Municipal Chamber of this very loyal and heroic city of Rio de Janeiro hereby makes known to all whom it may concern that, in accordance with the despatch of the Secretaryship of State for Home Affairs, dated the 23rd instant, the Table of dues which, in conformity with paragraph 3 of Article 44 of the Law No. 628 of the 17th September, pedlars must pay for annual licences, has been approved, and is as follows:—

TABLE of Taxes payable by Pedlars for annual Licences granted to them to carry on trade within the municipal district of the capital referred to by the despatch of this date.

Licence for hawking cotton goods, jewellery, gold, and silver, 100 milreis.

Licence for hawking hardware, glassware, trays, and plated articles, 50 milreis.

Licence for hawking haberdashery and small ware manufactured of tin, iron, or other metals, 20 milreis.

Secretaryship of State for Home Affairs,
July 23, 1852.

In the absence of the chief official, Joaquim Xavier Garcia de Almeida, and in order that this may be generally known, the present Edict has been published.

Palace of the Illustrious Municipal Chamber of Rio de Janeiro, the 27th July, 1852.

(Signed) DR. JOAQUIM VICENTE TORRES HOMEN, *Acting President.*

LUIZ JOAQUIM DE GOUVEA, *Secretary.*

Conferred:
(Signed) PAULA FONSECA.

Correct:
(Signed) VISCONDE DE CABO FRIO.

CHILE.

No. 4.

Mr. J. G. Kennedy to the Marquis of Salisbury.—(Received January 15, 1890.)

My Lord, *Santiago, November 29, 1889.*

In reply to your Lordship's Circular despatch of the 15th ultimo, I have the honour to state that commercial travellers do not require to take out licences to exercise their calling in Chile, and that no Laws or Regulations applicable to commercial travellers, as such, exist in this Republic.

I have, &c.

(Signed) J. G. KENNEDY.

COLOMBIA.

No. 5.

Mr. Wheeler to the Marquis of Salisbury.—(Received January 5, 1890.)

My Lord, *Bogotá, November 30, 1889.*

With reference to your Lordship's Circular of the 15th October, I have the honour to report that commercial travellers are not obliged to pay fees or to take out licences in Colombia, nor are there any Regulations in force affecting such travellers, who are in every respect in the same position as other persons.

I have, &c.

(Signed) T. H. WHEELER.

ECUADOR.

No. 6.

Mr. A. St. John to the Marquis of Salisbury.—(Received December 27.)

My Lord, *Quito, November 23, 1889.*

In reply to your Lordship's Circular of the 15th ultimo, I have the honour to state that the practice therein referred to of exacting fees from commercial travellers and compelling them to take out licences does not exist in Ecuador.

I have, &c.

(Signed) ALFRED ST. JOHN.

EGYPT.

No. 7.

Sir E. Baring to the Marquis of Salisbury.—(Received November 4.)

My Lord, *Cairo, October 27, 1889.*

In reply to your Lordship's Circular of the 15th instant, I have the honour to state that there are at present no Regulations in force in Egypt affecting commercial travellers.

I have, &c.

(Signed) E. BARING.

JAPAN.

No. 8.

Mr. Fraser to the Marquis of Salisbury.—(Received January 24, 1890.)

My Lord, *Tôkiô, December 17, 1889.*

In reply to your Lordship's Circular of the 15th October last, I have the honour to report that there do not exist in Japan, at present, any special Regulations with regard to commercial travellers. Under the existing Treaties no foreigners are allowed to travel in the interior of the country for purposes of trade; and at the open ports, Tôkiô, Yokohama, Hiogo, Nagasaki, Hakodate, and Niigata, commercial travellers are allowed, in common with all other foreign traders, to pursue their calling within the limits of the settlements existing at these places, and are not obliged to pay fees or take out licences.

I have, &c.

(Signed) HUGH FRASER.

MEXICO.

No. 9.

Sir S. St. John to the Marquis of Salisbury.—(Received February 21.)

My Lord, *Mexico, February 1, 1890.*

I have the honour to acknowledge the receipt of your Lordship's Circular despatch of the 15th October, 1889, on the subject of commercial travellers having to pay fees and take out licences.

M. Mariscal informs me that no such tax is levied by the

Federal Government, but that in certain States the local authorities require commercial travellers to notify their arrival and take out monthly licences for the time they may be carrying on business in the State. He was not aware, however, of the names of the States in which it was necessary to take out licences.

I will, however, make further inquiries, and report more fully on the subject as soon as I obtain any further information.

I have, &c.

(Signed) SPENSER ST. JOHN.

No. 10.

Sir S. St. John to the Marquis of Salisbury.—(*Received April* 5.)

My Lord, *Mexico, March* 13, 1890.

WITH reference to your Lordship's despatch of the 15th October, 1889, and my reply of the 1st February, 1890, on the subject of commercial travellers having to pay fees and take out licences in the States of Mexico, I have now been informed that they exist in many.

In the States of Jalisco and Nuevo Leon, for instance, commercial travellers, before being permitted to open their samples, have to pay 100 dollars (or about 16*l.*) as a State, and 25 dollars (or about 4*l.*) as a Municipal, tax. It is a little lower in some States, as Coahuila, where the State charges 75 dollars (or 12*l.*), and the Municipality the same as in Jalisco.

I have not yet been able to ascertain whether these taxes on commercial travellers are paid in all the States of the Republic, but it is very probable that they are levied wherever the lines of communication bring these agents in considerable numbers.

I have, &c.

(Signed) SPENSER ST. JOHN.

MOROCCO.

No. 11.

Sir W. K. Green to the Marquis of Salisbury.—(*Received October* 29.)

My Lord, *Tangier, October* 21, 1889.

I HAVE the honour to acknowledge the receipt of your Lordship's Circular of the 15th instant, and to state, in reply, that

commercial travellers are subjected to no fees, and have to take out no licences, for the free exercise of their business in Morocco, and that they may travel in this Empire on the some conditions as all other foreign travellers or tourists.

I have, &c.
(Signed) W. KIRBY GREEN.

PERSIA.

No. 12.

Sir H. Drummond Wolff to the Marquis of Salisbury.—(Received February 26.)

My Lord, *Tehran, February 4*, 1890.

WITH reference to your Lordship's Circular of the 15th October last, and to a further communication of the 8th ultimo, I have the honour to inform your Lordship that no Regulations are in existence affecting commercial travellers in this country.

I have, &c.
(Signed) H. DRUMMOND WOLFF.

PERU.

No. 13.

Sir C. Mansfield to the Marquis of Salisbury.—(Received December 27.)

My Lord. *Lima, November 21*, 1889.

IN reply to your Lordship's Circular of the 15th October, I have the honour to report that commercial travellers are not obliged to pay fees or take out licences in the Republic of Peru.

I have, &c.
(Signed) C. E. MANSFIELD.

UNITED STATES.

No. 14.

Sir J. Pauncefote to the Marquis of Salisbury.—(Received December 23.)

My Lord. *Washington, December* 1, 1889.

I HAD the honour to receive your Lordship's Circular despatch of the 15th October last, instructing me to obtain information on the subject of the Regulations affecting commercial travellers which are at present in force in the United States.

I accordingly requested Her Majesty's Consular officers to furnish me with such information, as far as their respective Consular jurisdictions were concerned, as would enable me to reply to your Lordship's despatch.

I have now the honour to transmit the answers which I have received from them, from which it will be seen that, although the question of obliging commercial travellers to pay fees has been the subject of litigation in several States, the only State in which a Law on the subject exists, and is carried out, is in the State of Texas, where the licence fee levied amounts to 50 dollars (10*l.*).

I have, &c.

(Signed) J. PAUNCEFOTE.

Inclosure 1 in No. 14.

Consul Segrave to Sir J. Pauncefote.

Sir, *Baltimore, October* 31, 1889.

IN reply to your Circular despatch of the 26th instant, on the subject of licence fees levied upon commercial travellers, I have the honour to inform you that at present these persons are exempt from the payment of licence fees as well in Maryland as in Virginia.

Under the Maryland Code of 1860 it is provided that no person, not being a permanent resident of the State, can act in such capacity without as a preliminary obtaining a State licence, the cost of which was 300 dollars.

This Act only applied to the city of Baltimore.

A similar Act was passed in 1868, applicable to the entire State.

The Supreme Court of the United States, however, adjudged such Act to be in conflict with the 4th Article of the Constitution of the United States, and it has consequently become a dead letter.

Under subsequent legislation (Act 1886, cap. 460) the previous Act of 1860 is altogether repealed, and bagmen, as such, are now exempt from licence fees.

Similarly in the State of Virginia.

The State Law imposing a licence of commercial travellers was vetoed as unconstitutional by the Supreme Court of the United States, and, although the State Law has not been repealed, it is never attempted to enforce it.

I have, &c.
(Signed) W. F. SEGRAVE.

Inclosure 2 in No. 14.

Consul Henderson to Sir J. Pauncefote.

Sir, *Boston, October* 30, 1889.

I HAVE the honour to acknowledge the receipt of your Circular despatch of the 26th instant, and beg to state, in reply, that there are no Regulations in force in the States within my Consular district affecting commercial travellers, and that no licences are required to be obtained by them.

I have, &c.
(Signed) C. A. HENDERSON.

Inclosure 3 in No. 14.

Consul Cridland to Sir J. Pauncefote.

Sir, *Charleston, November* 12, 1889.

I HAVE the honour to acknowledge the receipt of your Circular despatch of the 26th ultimo, respecting commercial travellers, &c., and with reference thereto beg to state that for many years before 1887 commercial travellers, or "drummers" as they are more frequently called in the United States, were subjected to great annoyance by the authorities both of the States and the cities wherein they either sold, solicited orders, or exhibited samples of goods; and in some instances they were either fined or arrested, because they would not submit to be taxed, or to take out a licence in every place visited, before they could commence business. It led to suits in the State Courts, and various decisions were made, sometimes in their favour, sometimes against them, but since the Congress of the United States passed the Inter-State Commercial Act, approved 4th February, 1887, which was amended 2nd March this year, commercial travellers have had little or no further trouble in this matter; and, as far as I have been able to

ascertain from the Vice-Consuls in North Carolina, Georgia, and from parties in Tennessee, there has been no further interference with commercial travellers on their arrival from neighbouring States.

In the 8th section of the Constitution of the United States it states that Congress shall have power to levy and collect taxes, duties, imposts, and excises, to regulate commerce with foreign nations and among the several States, &c., and to make all Laws which shall be necessary and proper for carrying into execution the foregoing powers, &c.

In some instances, however, an attempt has been made to levy a tax, or compel the commercial traveller to take out a licence, by the State and city authorities when such persons have solicited orders showing samples of goods as agents of houses doing business in the State, and on their refusal, both in Tennessee and in this State, they have been fined or arrested, until at last the Supreme Court of the United States has rendered a decision in one case from Tennessee which, I understand from legal authority, will in all probability put an end to any more litigation or annoyance to commercial travellers hereafter.

I have copied from the 120th volume of United States' Reports, 1887, p. 489, the account of a case in point which was carried into the Supreme Court by the aggrieved party in Tennessee, and which gives the decision of that Court, and its opinion at length on the whole subject will be found in the following pp. 490 to 502.

The copy above mentioned is herewith inclosed.

I have, &c.

(Signed) FREDERICK J. CRIDLAND.

Inclosure 4 in No. 14.

Extract from the United States' Reports, 1887.

ROBBINS *v.* SHELBY COUNTY TAXING DISTRICT.

Error to the Supreme Court of the State of Tennessee.

(Submitted January 8, 1886; argued November 5, 1886; decided March 7, 1887.)

CHAPTER 96, § 16, Stats. Tennessee, 1881, enacting that "all drummers, and all persons not having a regular licensed house of business in the taxing district of Shelby County, offering for sale or selling goods, wares, or merchandize therein by sample, shall be required to pay to the County Trustee the sum of 10 dollars per week, or 25 dollars per month, for such privilege," applies to persons soliciting the sale of goods on behalf of individuals or firms

doing business in another State; and so far as it applies to them, it is a Regulation of commerce among the States, and violates the provision of the Constitution of the United States which grants to Congress the power to make such Regulations.

Inter-State commerce cannot be taxed at all by a State, even though the same amount of tax should be laid on domestic commerce, or that which is carried on solely within the State.

The power granted to Congress to regulate commerce among the States being exclusive when the subjects are national in their character, or admit only of one uniform system of regulation, the failure of Congress to exercise that power in any case is an expression of its will that the subject shall be left free from restrictions or impositions upon it by the several States.

A State may enact Laws which in practice operate to affect commerce among the States—as by providing in the legitimate exercise of its police power and general jurisdiction for the security and comfort of persons and the protection of property; by establishing and regulating channels for commercial facilities; by the passage of inspection laws, and laws to restrict the sale of articles injurious to health and morals; by the imposition of taxes upon avocations within its borders not interfering with foreign or inter-State commerce or employment, or with business exercised under authority of the Constitution of the United States, and in other ways indicated in the opinion of the Court, subject in all cases to the limitations therein defined; but the Statute of the State of Tennessee considered in this opinion is not such a law.

This was an information in a State Court of Tennessee against the plaintiff in error for doing business in the taxing district of Shelby County in that State as a drummer on behalf of a firm doing business in Cincinnati, Ohio, without a licence as required by the provision of the Statute of Tennessee which is set out in the opinion of the Court. The defendant was found guilty, and this Judgment was affirmed by the Supreme Court of the State on appeal, 13 Lea, 303. The defendant sued out this writ of error. The cause was submitted at the last term of Court. The Court on the 8th March, 1886, ordered it argued, and argument was heard accordingly at this term. The case is stated in the opinion of the Court.

Inclosure 5 in No. 14.

Acting Consul Harriss-Gastrell to Sir J. Pauncefote.

Sir, *Chicago, October* 31, 1889.

I HAVE the honour, in reply to your Circular despatch of the 26th instant, to state that I have been unable to find in the legislation of the various States and Territories within this district any trace of such Regulations affecting commercial travellers, especially as to payment by them of fees for licences. I believe

that such Regulations are to be found chiefly in the Southern States, as in Texas.

I have, &c.
(Signed) J. P. HARRISS-GASTRELL.

Inclosure 6 in No. 14.

Consul Lyall to Sir J. Pauncefote.

(Extract.) *Galveston, October* 31, 1889.

I HAVE the honour to acknowledge the receipt of your Circular of the 25th instant, and to say, in reply, that commercial travellers have to pay a licence of 50 dollars per annum in Texas.

Inclosure 7 in No. 14.

Consul de Fonblanque to Sir J. Pauncefote.

Sir, *New Orleans, October* 29, 1889.

IN reply to your Circular of the 26th instant, respecting licence fees for commercial travellers, I have the honour to state that I am informed that the Supreme Court has decided that no State or city can impose any such tax upon the class in question.

I have, &c.
(Signed) A DE G. DE FONBLANQUE.

Inclosure 8 in No. 14.

Consul-General Booker to Sir J. Pauncefote.

Sir, *New York, November* 1, 1889.

I HAVE the honour to state, in reply to your Circular of the 26th October, that commercial travellers are not required to take out a licence in the States within my Consular jurisdiction—New York, New Jersey, Rhode Island, Connecticut, and Delaware—and that there are no restrictions in connection with their business.

I have, &c.
(Signed) WM. LANE BOOKER.

Inclosure 9 in No. 14.

Consul Clipperton to Sir J. Pauncefote.

Sir, *Philadelphia, November* 4, 1889.

I HAVE the honour to acknowledge the receipt of your Circular despatch of the 26th ultimo, requesting information on the subject of Regulations, if any exist in this Consular district, affecting commercial travellers, and, in reply, to inform you that there are no Laws or Regulations at present in existence on this subject.

I have, &c.

(Signed) ROBT. CHAS. CLIPPERTON.

Inclosure 10 in No. 14.

Consul Donohoe to Sir J. Pauncefote.

Sir, *San Francisco, November* 7, 1889.

IN reply to your Circular of the 26th ultimo as to the Regulations affecting commercial travellers within the district of this Consulate, I have the honour to report that I am informed by the Board of Trade of San Francisco "that each county in the States within my district has a right to levy a charge for a licence upon drummers (Anglicè—commercial travellers) from other States. Drummers deny this right, but there is now a case on appeal in the United States' Supreme Court at Washington upon this point, but for one that is arrested fifty are not. The law is practically a dead letter." The case mentioned I think is on appeal from the State of Virginia.

I am informed by a member of a large mercantile establishment having many commercial travellers through all the States, &c., under my jurisdiction, that their men have never been interfered with except at Victoria, British Columbia, where they have to pay a licence fee of 10 dollars.

I have, &c.

(Signed) DENIS DONOHOE.

URUGUAY.

No. 15.

Mr. Satow to the Marquis of Salisbury.—(Received December 12.)

My Lord, *Monte Video, November* 14, 1889

WITH reference to your Lordship's Circular of the 15th ultimo, I have the honour to inclose a summary of the Regulations in force as to commercial travellers' licences, founded on the Law of Indirect Taxes for the financial year 1888-89.

I have, &c.

(Signed) ERNEST SATOW

Inclosure in No. 15.

Summary of the Regulations in force as to Commercial Travellers in Monte Video.

Trade Licence Law for 1889.

ARTICLE 1. During the financial year 1888-89 the licence tax, classed as specific and *ad valorem*, will be levied only on the handicrafts, professions, and branches of commerce and industry specified in the following Articles.

Art. 2. Specific licences will be issued according to the following categories and rates:—

* * * * *

7th Category. Paying 100 dollars (21*l.* 8*s.* 6*d.*).

(B.) *Agents for Foreign Manufactures known as "Commis-voyageurs."*

Decree for the purpose of carrying out the Law, February 8, 1889.

Article 1. The licence tax must be paid by the 15th March next.

Art. 2. Handicrafts, or branches of commerce and profession, which begin to be exercised after the expiration of six or nine months of the present year, will pay only one-half or one-quarter of the tax respectively.

* * * * *

Art. 12. Persons who neglect to take out a licence at the due date, or who take out a licence of less than the proper amount, or who make any alterations to the prejudice of the Exchequer, and contrary to the law, shall pay a fine equivalent to the amount of

which the Exchequer has been defrauded, besides the costs of proceedings.

* * * * *

Art. 14. Any person desiring to exercise any branch of industry or commerce, or any handicraft or profession, liable to the licence tax, must first obtain the permission of the Chief of Police, and apply to the Bureau of Indirect Taxes in Monte Video (in the other departments to the Provincial Treasury) for the issue of the corresponding licence.

* * * * *

Art. 16, paragraph 2. All applicants for licences are obliged to state their names, nationality, and place of residence.

Art. 17. False declarations will render the applicant liable to a fine of from 20 to 200 dollars, according to the importance of the fact of concealment, when this does not affect the amount of the tax payable, in which case Article 12 will be applied.

COMMERCIAL. No. 14 (1890).

REPORTS

FROM

HER MAJESTY'S REPRESENTATIVES ABROAD

ON THE

REGULATIONS

RESPECTING

COMMERCIAL TRAVELLERS.

PART II.—EXTRA-EUROPE.

[SUPPLEMENT.]

Presented to both Houses of Parliament by Command of Her Majesty.
August 1890.

LONDON:
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Regulations respecting Commercial Travellers in Brazil.

Mr. Wyndham to the Marquis of Salisbury.—(*Received August* 18.)

My Lord, *Rio de Janeiro, July* 28, 1890.

WITH reference to your Lordship's Circular of the 15th October and to my despatch of the 4th February* respecting the Regulations affecting commercial travellers in this country, I have now the honour to transmit translation of a note which I have received from Senhor Bocayuva on the subject.

From this it would appear that commercial travellers in Brazil are not subject to any federal tax or fee, though they may be called upon to pay a municipal tax to the Governments of the several States in which they carry on their business.

Should they, however, establish themselves in any particular place, and sell their goods from thence, they are considered to be commission merchants, and, as such, are liable to the taxes on industries and professions established by Tables (A) and (D) of the Regulations appended to Decree No. 9870 of the 22nd February, 1888, copy of which was inclosed in my above-mentioned despatch of the 4th February last.

I have, &c.

(Signed) HUGH WYNDHAM.

Inclosure.

Senhor Bocayuva to Mr. Wyndham.

Rio de Janeiro, Ministry for Foreign Affairs,

(Translation.) *July* 25, 1890.

THE Undersigned has the honour to transmit herewith to Mr. Hugh Wyndham the information which he has just received from the Ministry of Finance in reply to Mr. Wyndham's note of the 4th February of the present year, the receipt of which was acknowledged on the 5th of the same month.

* See Part II, page 3.

The information in question is as follows:—

Commercial travellers ("caixeiros ambulantes") who offer goods for sale in the interior of Brazil by means of samples, being, as they are, in fact, the agents of the commercial firms to which they belong, which firms pay taxes in the localities in which they are established, are not subject to any imposition on behalf of the general revenue: they may, however, be subjected to some municipal contribution by the States in which they travel.

Those, however, who may establish themselves in any place, and sell their goods on commission, are considered as commission merchants ("commissarios"), and as such are liable to the charges mentioned in Tables (A) and (D) of the Regulations established by Decree No. 9870 of the 22nd February, 1888.

The Undersigned, &c.

(Signed) Q. BOCAYUVA.

Jersey, 302; in Pennsylvania, 29; in Maryland, 242; a total of 2,134. Reports received since June 30, 1889, indicate, as I have said, that the vigorous measures adopted have proved very effectual, and justify the most sanguine hopes in regard to the present control and proximate complete eradication of the disease.

* * * * * * *

Extracts from the Report of the Chief of the Bureau of Animal Industry.

PLEURO-PNEUMONIA.

The measures for the eradication of the contagious pleuro-pneumonia of cattle, as given in detail in former reports, have been continued during the year without interruption or modification. The progress of the work has been notable, though not as rapid as would be possible if the Department had sufficient authority to properly enforce its regulations. It has often been found difficult to secure the prosecution and conviction of parties who have violated the State laws under which the regulations are made. Some parties, who have flagrantly and persistently violated the regulations and even assaulted the officers of the Department, have had their cases dismissed by justices of the peace or by the grand juries before which the matter was brought, with the intimation that prosecutions for such offences would not be countenanced by them.

The great obstacle to the speedy conclusion of this work is, therefore, not in any inherent difficulties in the work itself, but in the impossibility of securing under the present statutes a strict enforcement of the necessary rules. The infected area is, however, constantly decreasing, and the number of herds in which the disease is found is becoming smaller with each quarter. This improvement will be made plain in the tables which follow.

It is gratifying to be able to state that no outbreaks of pleuro-pneumonia have been discovered during the year in the section of the country west of the Alleghany Mountains. It is also fortunate that no extensions of the contagion have occurred in the Eastern States since the report for 1888 was submitted. The absence of such outbreaks has so increased the confidence of cattle-owners and shippers that our domestic traffic in cattle outside of the infected districts is no longer influenced to any appreciable extent by the presence of this contagion in the country.

Work in New York.

One year ago pleuro-pneumonia existed in the counties of Orange, New York, Kings, and Queens. No cases have been discovered in Orange and New York Counties since June, so that the disease has been confined for the last five months to Kings and Queens Counties. These two counties have long been the oldest and worst infected sections of the country. Many of the dairymen are unfavourably disposed towards the work of eradication and are unwilling to submit to the regulations. Cattle in many instances have been pastured upon the commons and moved from stable to stable without permit. Exposure in

this way accounts for many of the new cases of disease which have been recently developed.

Many stables in the infected districts are without ventilation. They are so constructed that it is impossible to keep them in a proper sanitary condition. There are accumulations of filth under the floors, and the wood-work is rotton and porous. Such buildings cannot be satisfactorily disinfected, nor can they be held without stock a sufficient length of time after the diseased herds are removed to insure safety. The result is that in some cases the plague has appeared several times on the same premises.

To prevent these re-infections is one of the most difficult problems which is to be solved. In Maryland there was for a time the same difficulty, and it was removed in the worst cases by the State Live-Stock Sanitary Board condemning and destroying such buildings as could not be properly disinfected. The compensation in such cases was made from the State appropriation. This Department has up to the present declined to expend any part of the appropriation for the purchase and destruction of buildings, but in certain cases in the badly infected districts of Long Island such action may become necessary for the success of the work.

From December 1, 1888, the date to which the figures were given in the previous report, to November 30, 1889, there were inspected in New York 15,861 herds, containing 149,396 head of cattle. Of this number 137,688 were re-examined by the non-professional assistants, and 33,135 were tagged with numbers and registered upon the books of the Bureau.

There were 156 new herds found affected with pleuro-pneumonia during the year, and these herds contained 3,014 animals, 249 of which were pronounced diseased when the inspections were made. There were purchased for slaughter during the same time 1,053 affected cattle, at a cost of $28,210.05, an average of $26.79; also, 2,819 exposed cattle, at a cost of $59,908.93, an average of $21.25. The smaller cost of the exposed cattle as compared with the affected ones is due to the fact that the amount which the owner realised for the carcasses was deducted from the appraised value, the Department paying the balance.

It has been found necessary to disinfect 339 stables, stock-yards, or other premises during the year, and also to make *post-mortem* examinations upon the carcasses of 15,375 bovine animals, of which 1,012 were found diseased with pleuro-pneumonia.

The total expenses in New York from December 1, 1888, to November 30, 1889, have been $187,814.99, of which $88,118.98 was paid for cattle purchased for slaughter as either diseased or exposed. The remainder constitutes the expense for disinfection, inspection, tagging, registering, supervising the movement of cattle, *post-mortem* examinations, and all the various expenses incident to a work of this character.

Work in New Jersey.

In this State the operations have been almost entirely confined to Hudson County, with the exception of a large diseased herd found in the distillery stables at East Millstone, and three affected herds in Essex County which were infected by cattle taken by dealers from Hudson County in violation of the quarantine regulations.

The State Board of Health has for more than six months been desirous of removing the quarantine restrictions from Hudson County, but has consented to maintain them up to the present time upon the urgent representations of this Department that such action was necessary to the success of the work. It is doubtful if proper regulations can be continued in New Jersey under the present system of co-operation until the contagion is completed eradicated. The importance of success here is exceptionally great because of the traffic in cattle between the infected district in New Jersey and the neighbouring counties in New York. If the disease should again become prevalent in the former State it would be difficult if not impossible to prevent the re-infection of Westchester and New York Counties in the latter State. There would also be great danger of the infection of cattle destined for shipment to Europe from the port of New York, many of which go through the New Jersey stock-yards To properly protect this enormous trade between the States and with foreign countries greater powers are required than are now possessed by this Department.

From December 1, 1888, to November 30, 1889, there were inspected in New Jersey 8,455 herds, containing 76,001 head of cattle. Of this number 39,287 were re-examined by the non-professional assistants, 11,672 were tagged with numbers and registered upon the books of the Bureau.

There were 48 new herds found infected with pleuro-pneumonia during the year, and these herds contained 964 animals, 81 of which were pronounced diseased when the inspections were made. There were purchased for slaughter during the same time 116 affected cattle at a cost of $2,659, an average of $22.92 per head, also 704 exposed cattle at a cost of $16,592, an average of $23.57.

It has been found necessary to disinfect 208 stables, stock-yards, and other premises, and also to make *post-mortem* examinations upon the carcasses of 14,242 bovine animals, of which 189 were found diseased with pleuro-pneumonia.

The total expenses in New Jersey from December 1, 1888, to November 30, 1889, have been $69,345.42 of which $19,251 was paid for cattle purchased for slaughter, because they were either diseased or had been exposed.

The Work in Pennsylvania.

As indicated in the last report, quarantine restrictions at Philadelphia were removed on December 15, 1888, and at that

time the greater part of the force of the Bureau stationed there was withdrawn. It was deemed advisable, however, to retain at that city two veterinary inspectors and two assistant inspectors for the purpose of maintaining a supervision of the Philadelphia stock-yards, and to watch the slaughter-houses and rendering works for a few months, in order that any re-appearance of disease might be promptly detected. The wisdom of this course was made apparent on December 31, when our inspectors discovered at the Philadelphia stock-yards a herd of cattle having contagious pleuro-pneumonia. These cattle had been shipped to Philadelphia from the Somerset Distillery stables at East Millstone, New Jersey. On being slaughtered, seventeen cases of contagious pleuro-pneumonia were found on *post-mortem* examination. All cattle that had come in contact with this herd were promptly quarantined and slaughtered, and the stock-yards were thoroughly disinfected. The railroad cars in which these cattle had been transported were traced to Altoona, Pa., where they were disinfected by officers of the Bureau.

Under date of September 11, the secretary of the State Board of Agriculture informed this Bureau that a herd had been discovered by the State officers in Chester County, Pa., having contagious pleuro-pneumonia, that the State veterinarian had killed two animals, and on *post-mortem* examination had pronounced them to be affected with contagious pleuro-pneumonia in an acute form. An officer of the Bureau was detailed to visit that locality, but failed to find any evidence of lung plague among animals there inspected. For the reason, however, that the premises on which the disease had been reported to exist was a public cattle or drove yard from which cattle were transported to Wilmington, Del., the stock-yards at Philadelphia, and into other channels of interstate commerce, it was thought necessary, in order to protect the cattle industry of the country from any possible danger, that these premises, and also all cattle that had been in contact with the herd reported to have been diseased, should be strictly quarantined. This was done; and in addition the stock-yards at Chester, where the disease was said to be, were thoroughly disinfected. The quarantine was maintained for ninety days, and at the end of that time no evidence of lung plague having developed, all restrictions were removed.

With these exceptions no contagious pleuro-pneunomia has been found in Pennsylvania during the year, and it is thought that the contagion no longer exists there.

From December 1, 1888, to November 30, 1889, there were inspected in Pennsylvania 1,311 herds, containing 24,003 head of cattle. Of this number 1,285 were re-examined by the non-professional assistants, and 1,513 were tagged with numbers and registered upon the books of the Bureau.

There were no herds in the State found by our inspectors to be affected with pleuro-pneumonia. There were purchased for slaughter eleven exposed cattle at a cost of $190, an average of $17.27 per head.

It was considered advisable to disinfect six stables, stock-yards, and other premises; 13,412 *post-mortem* examinations were made upon the carcasses of bovine animals, of which 17 were found diseased with pleuro-pneumonia.

The total expenses in Pennsylvania from December 1, 1888, to November 30, 1889, have been $8,856.25, of which $190 was paid for exposed cattle purchased for slaughter.

Work in Maryland.

The progress of the work in Maryland has been extremely satisfactory. With the active sympathy of the Governor and Attorney-General, and the earnest co-operation of the Live-Stock Sanitary Board, the quarantine regulations have been enforced and the contagion has been eradicated. Only five herds affected with pleuro-pneumonia have been discovered in the last ten months, and at this writing (December 20) three months have elapsed since a case of the disease has occurred.

We have here one of the most striking illustrations that the history of the world has furnished of the possibility of exterminating this plague from the worst infected of cities, and from the dairies of the adjoining country districts, within a reasonable time, by the application of proper sanitary measures. In the Old World it has always required many years under the regulations generally adopted to free a long infected district from the disease, while in some cities, as for example Paris, the work has gone on for years without appreciably diminishing the number of cases of disease which annually develop.

From December 1, 1888, to November 30, 1889, there were inspected in Maryland 10,904 herds, containing 79,606 head of cattle. Of this number 4,866 were re-examined by the non-professional assistants, and 10,534 were tagged with numbers and registered upon the books of the Bureau.

There were 18 new herds found infected with pleuro-pneumonia during the year, and these herds contained 295 animals, 21 of which were pronounced diseased when the inspections were made. There were purchased for slaughter during the same time 72 affected cattle at a cost of $2,254.27, an average of $31.31 per head; also 311 exposed cattle at a cost of $7,341.83, an average of $23.61 per head.

It has been found necessary to disinfect 35 stables, stock-yards, and other premises during the year, and also to make *post-mortem* examinations upon the carcasses of 11,496 bovine animals, of which 76 were found diseased with pleuro-pneumonia.

The total expenses in Maryland from December 1, 1888, to November 30, 1889, have been $57,488.96, of which $9,596.10 was paid for cattle purchased for slaughter as either diseased or exposed.

The Work as a Whole.

Including all the districts in which pleuro-pneumonia has existed, there were inspected from December 1, 1888, to November 30, 1889, a total of 36,531 herds of cattle, containing 329,006 animals. Of this number, 183,126 were re-examined by the non-professional assistants in addition to the veterinary inspections, and 56,854 were tagged with numbers and registered upon the books of the Bureau.

There were 222 new herds found affected with pleuro-pneumonia during the year, and these herds contained 4,273 animals, 351 of which were pronounced diseased when the inspections were made. There were purchased for slaughter during the same time 1,241 affected cattle at a cost of $33,123.32, an average of $26.69 per head; also, 3,845 exposed cattle at a cost of $84,032.76, an average of $21.86 per head.

It has been found necessary to disinfect 588 stables, stock-yards, or other premises, and also to make *post-mortem* examinations upon the carcasses of 54,520 bovine animals, of which 1,294 were found diseased with pleuro-pneumonia.

The total expenses of the pleuro-pneumonia work from December 1, 1888, to November 30, 1889, have been $323,505.62, of which $117,156.08 was paid for cattle purchased for slaughter as either diseased or exposed. The remainder constitutes the expense for inspection, disinfection, tagging, registering, and supervising the movement of cattle, of *post-mortem* examinations, and of all the various expenses necessary to insure the prompt discovery of this plague when it appears in any herd, and to prevent the further extension of the infection.

The following table gives a résumé of the pleuro-pneumonia work from December 1, 1888, to November 30, 1889, as given in detail above:—

	New York.	New Jersey.	Pennsylvania.	Maryland.	Total.
Herds inspected	15,861	8,455	1,311	10,904	36,531
Cattle inspected	149,396	76,001	24,003	79,606	329,006
Cattle re-examined	137,688	39,287	1,285	4,866	183,126
Diseased cattle found by inspection.	249	81	—	21	351
Post-mortem examinations	15,375	14,242	13,412	11,491	54,520
Diseased carcasses found	1,012	189	17	76	1,294
Cattle tagged	33,135	11,672	1,513	10,534	56,854
New herds found affected	156	48	—	18	222
Animals in affected herds	3,014	964	—	295	4,273
Diseased cattle purchased	1,053	116	—	72	1,241
Exposed cattle purchased	2,819	704	11	311	3,845
Premises disinfected	339	208	6	35	588

A résumé of the expenditures in the pleuro-pneumonia work from December 1, 1888, to November 30, 1889, is made in the table which follows.

——	New York.	New Jersey.	Pennsylvania.	Maryland.	Total.
	$	$	$	$	$
Salaries - - - -	81,863.02	36,600.58	7,630.53	37,712.99	163,807.12
Travelling expenses - -	11,746.78	10,629.92	614.83	8,903.87	31,895.40
Miscellaneous expenses - -	6,086.21	2,863.92	420.89	1,276.00	10,647.02
Affected cattle - - -	28,210.05	2,659.00	—	2,254.27	33,123.32
Exposed cattle - - -	59,908.93	16,592.00	190.00	7,341.83	84,032.76
Average paid for affected cattle	26.79	22.92	—	31.31	26.69
Average paid for exposed cattle	21.25	23.57	17.27	23.61	21.86

Comparison with the previous Year.

The progress accomplished by this work can only be estimated by comparing the number of new herds found affected during the year and the total number of cases of pleuro-pneumonia found on *post-mortem* examination with similar data gathered from the reports of the preceding year. As the carcasses of all animals which die or are slaughtered from the quarantine districts are examined, we have in the returns of the *post-mortem* examinations the total number of cases of pleuro-pneumonia which have developed.

The following table shows the number of new herds found affected, the number of *post-mortem* examinations that were made, and the number of carcasses found affected with pleuro-pneumonia at the *post-mortem* examinations for the years from December 1, 1887, to November 30, 1888, and from December 1 1888, to November 30, 1889 :—

States.	No. of New Herds affected.		No. of Post-mortem Examinations.		No. of Carcasses affected with Pleuro-pneumonia.	
	1888.	1889.	1888.	1889.	1888.	1889.
New York - - - -	347	156	15,826	15,375	2,374	1,012
New Jersey - - -	216	48	6,892	14,242	536	189
Pennsylvania - - -	23	—	13,157	13,412	72	17
Maryland - - - -	96	18	6,165	11,491	596	76
Total - - -	682	222	42,040	54,520	3,578	1,294

The above table shows that there were less than half as many new herds found affected in New York during the last year as in the preceding year. There were also less than half as many diseased carcasses found on *post-mortem* examination in 1889 as in 1888, although the number of carcasses examined was nearly the same. In New Jersey there were only about one-fourth as many affected herds and about one-third as many affected animals, although a greatly increased number of carcasses was examined. In Pennsylvania and Maryland the reduction as shown by the table is even more marked, and is still greater than the figures indicate, as the malady has entirely disappeared from those States during the last quarter of the year.

* * * * * * *

Notwithstanding the fact that the number of cattle in this country per thousand of population has been slowly decreasing during the past four years, the large proportion of these animals that are being marketed still keeps the market overstocked, and makes it extremely important that every effort should be made to maintain the export trade at least to its present extent, and, if possible, to increase it. The only danger to the trade in live cattle which has been suggested during the year is the occasional discovery of an animal which the English veterinary authorities supposed to be affected with contagious pleuro-pneumonia. It is impossible to understand how any of the beef cattle going abroad can be infected with this disease. After the most careful and extended investigations in the United States, this Bureau has been unable to discover any pleuro-pneumonia in any section from which steers are shipped. The only districts in which this disease does exist are two counties on Long Island and one county in New Jersey. The Long Island district is isolated, and no cattle from it go into the stock-yards through which the export cattle pass. The infected district in New Jersey is very nearly free from the disease, and while it is not isolated like the Long Island district, no steers are raised for beef in this section, and the stock-yards are believed to be thoroughly protected.

For the reasons given above, we are led irresistibly to the conclusion that the disease found in the lungs of American steers when slaughtered on the English wharves is a sporadic inflammation, which probably in most cases arises from exposure during the voyage. It is well known that generally no special characters are found by which contagious pleuro-pneumonia can be distinguished with certainty from the sporadic form of inflammation of the lungs and pleura. In making a diagnosis the veterinarian is always assisted by the history of contagion in the herds in which the disease is found, and, in the absence of such a history, if a single case of inflammation of the lungs and pleura is discovered, it is difficult or impossible to make a positive diagnosis. With American steers slaughtered in England it is impossible, under existing conditions, to have any history of the animals, and as but a single steer is usually found affected in a whole cargo, there is nothing to indicate that the malady discovered is of a contagious nature.

It is plain that the diagnosis of the English veterinarians in the cases of supposed pleuro-pneumonia among our steers must be more or less uncertain and open to doubt, without reflecting in the least upon the professional ability and competency of the inspectors making the examination. As this trade has grown to such an extent, and is of such great importance to the cattle industry of this country, it would seem very proper that we should take some means to determine whether the animals pronounced affected with contagious pleuro-pneumonia are really suffering from this disease. This fact could probably be determined by stationing one or more agents of the Department in

England to examine the lungs of animals pronounced diseased, and to determine as accurately as possible the exact conditions of their organs. The animals going abroad might also be numbered at the time of their shipment from the American ports, according to some system by which any individual animal might be traced back to the herd from which it came. In this way it would be possible to determine whether such an animal had been in any way exposed to the contagion of pleuro-pneumonia. With such precautions it would seem possible to settle this long contested question as to whether the disease found by English inspectors in American steers is or is not contagious pleuro-pneumonia.

* * * * * * *

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FOREIGN OFFICE.

1890.

MISCELLANEOUS SERIES.

No. 165.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

ARGENTINE REPUBLIC.

NOTES ON THE

DIVISION OF LANDS IN THE YERNA COLONY, FOR GUIDANCE OF AGRICULTURAL IMMIGRANTS.

REFERENCE TO PREVIOUS REPORT [C. 5873], Commercial No. 32, 1889, and Miscellaneous Series No. 123.

Presented to both Houses of Parliament by Command of Her Majesty,
MAY, 1890.

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1890.

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Reference to previous Report [C. 5873], *Commercial No.* 32, 1889. *and Miscellaneous Series No.* 123.

ARGENTINE REPUBLIC.

BUENOS AYRES.

Mr. Pakenham to the Marquis of Salisbury.

My Lord, *Buenos Ayres, March* 17, 1890.

HEREWITH I have the honour to inclose a copy of the monthly bulletin (Boletin Mensuel) published at the end of last month, and containing at pp. 556-7 the official regulations for the Yerna colony in the province of Entre Rios, forming the subject of inclosures 1 and 2 in Mr. Jenner's despatch of June 24, 1889, bearing the number 128 in the Commercial Blue Book, No. 32, respecting emigration to the Argentine Republic.

A translation of this document by Mr. Bland is also inclosed, from which it will be seen that the price of each hectare (about 24 acres) is fixed at 57 dols., national currency (at present about 5*l.*); that the immigrants must be of agricultural habits and of good personal character; and that they must have at their disposal at the least 500 dols., national currency (at present slightly under 50*l.*), for farming implements, seeds, &c.

The term for payment of the price of each farm lot of 100 hectares is fixed at 10 years, the amount to be paid in eight instalments, commencing from the beginning of the third year.

Mr. Jenner mentions, in inclosure 1 in his despatch above-mentioned, that the Minister for Foreign Affairs had declared to him that he was prepared to assign 100 of these holdings to an equal number of British agricultural families, who will receive the lands marked off with wire fencing, and a dwelling-house for each family.

I have, &c.
(Signed) J. PAKENHAM.

Department of the Interior, Buenos Ayres, February 7, 1890.

The measurement and division into farm lots of the lands which form the Yerna colony, on the bank of the Rio Uruguay, in the province of Entre Rios, and the Inspector, Don Patricio Texo, having reported that many of the lots are already wired in and provided with the necessary hut and well, free of cost, and that in a short time a considerably larger number will be in this

condition, and considering that the law, No. 2,419, of November 10, 1888, ordered that the lands of Yerna should be divided into farm lots, which should be allotted to families of agricultural immigrants, long terms being granted for payment; that Article 3 of the same law prescribes that in no case shall the said farm lots be allotted for a sum greater than the cost price; that this, with all the buildings, amounts to 57 dols., national money of the legal currency, per hectare, a price extremely low, considering their value and the actual price of land in the same province of a similar kind to that of Yerna; that in the said colony a town has been traced out, plans for the construction of public buildings completed, and a concession granted for a tramway which shall traverse it in all directions; that the great interest taken in the Yerna colony, especially among agriculturists, not only on account of the quality of the land, but also owing to its position on the Rio Uruguay, obliges the Government to take care that the possessors of the farm lots should be families inured to labour, of good habits and customs, and possessed of the means necessary for devoting themselves at once to the cultivation of the soil.

The Vice-President of the Republic, in exercise of the executive power, decrees:—

Article 1.—That the price of the farm lots of the Yerna colony shall be fixed at 57 dols., national money of the legal currency, per hectare; the wire fencing and house being included in the area of each one.

Article 2.—The Commission of Lands and Colonies will receive the applications of the heads of families of agricultural immigrants, who must prove: (1) Their quality of immigrants and their moral character. (2) That they are agriculturists. (3) That they possess in ready money a capital of at least 500 dols., national money of the legal currency, for the purchase of farming implements and seeds.

Article 3.—The term for payment of the price of each farm lot of 100 hectares shall be 10 years, the amount to be paid in eight parts, commencing from the beginning of the third year. The possessor shall give bonds with his signature alone, to which shall be added interest at the rate of eight per cent.

Article 4.—The Land Commission, when once the bonds are signed, shall give to the person interested a legal document setting forth the acquisition, and when the last quota has been paid the title deeds of proprietorship shall be granted by the Government Notary.

Article 5.—The same shall be done if the person interested should desire to complete the payment in ready money, but only after he shall have cultivated the farm lot for a year.

Article 6.—On the presentation of the document declaring acquisition, the Inspector of the colony will put the person interested in possession.

Article 7.—Let this be communicated, published, and inserted in the National Register.

(Signed) PELLEGRINI,
N. Quirmo Costa.

(75 5 | 90—H & S 864)

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No. 172.

Reference to previous Report, Miscellaneous Series Nos. 123 *and* 165, *and Parliamentary Paper* [*C.* 5873], *Commercial No.* 32, 1889.

ARGENTINE REPUBLIC.

BUENOS AYRES AND ROSARIO.

Consul Bridgett to the Marquis of Salisbury.

My Lord, *Buenos Ayres, May* 12, 1890.

In accordance with the instructions contained in Sir Villiers Lister's Despatch to Mr. Pakenham, Her Majesty's Minister, placing the superintendence of the Immigration Agents under my charge, I have now the honour to enclose reports from Vice-Consul Mallett and Acting Vice-Consul Ancell on the subject of Immigration to the Argentine Republic.

I have, &c.

(Signed) RONALD BRIDGETT.

BUENOS AYRES.

Report by Charles F. Ancell, British Immigration Agent (ad interim) at Buenos Ayres.

Due, in a great measure, to the curtailment of assisted passages, and to the monetary crisis which has caused an alarming depreciation in the national currency, the number of immigrants during the first four months of the present year has greatly decreased.

In fact, notwithstanding that the harvests have been superb, and that thousands of labourers are required for the provinces, the supply has fallen far short of the demand.

The neighbouring republic of Uruguay, with the attraction of a gold currency and the recent election of an able President, on whose term of office the most sanguine expectations were founded, drew to its shores considerable numbers of the better class of immigrants.

They did not consider that the prosperity of that country was hampered by the position of this, nor that it was seriously compromised by the very evil which affected the Argentine republic. The high premium on gold prevailing here proved a temptation to merchants and others in the Uruguay republic: thus their gold resources were reduced, and their commercial interests so far strained as to reflect on the labour market to an appreciable extent.

The intrinsic value of paper currency, as compared to gold, in the Argentine republic is certainly at present very small; still for immigrants, who are not likely to indulge in imported luxuries, the depreciation for a transient period is immaterial. Besides, the increased wages earned bear a favourable ratio to the necessary expenses they are likely to incur.

Perhaps the greatest inconvenience experienced by newly-arrived immigrants, especially with families, is the deficiency and dearness of house accommodation.

It is to be feared, until proper workmen's houses are constructed by building societies or others, so as to lower rents within a reasonable figure, much suffering and anxiety will fall to the lot of those who emigrate to this republic.

Englishmen with families, however humble, are accustomed to the privacy of a home—a thing, generally speaking, unknown to the Italians, who form the greater part of the foreign population in the capital and country towns.

As regards mechanics and others coming to this country, though not exactly in the category of immigrants, bound by contracts, it would not be out of place to point out to them that they should be most particular to ensure that such agreements are not only properly and legally drawn up, but that they are also duly attested by an Argentine Consul, so as to stand good in evidence, if necessary, at any future period.

By omission of this formality many, who had differences with their employers, were unable to seek redress otherwise than by returning and suing the agents in England, which, in most cases, as they were left absolutely without means, was practically impossible.

The terms of payment should be in gold, but, when accepting other conditions, the value of Argentine currency for the time being should be ascertained, in order to know what remuneration they are likely to receive.

It is pleasing to note that, although the number of British immigrants has fallen off, those recently arrived have been of a superior class, finding immediate employment—a pleasing contrast to that unfortunate and ill-selected body which formed the majority of the immigrants by the steamships "Dresden" and "Munchen" last year. As a proof of their utter unfitness for the purposes for which they were intended, it may be stated that, out of thousands and thousands of immigrants, they are, perhaps, still unsettled and dissatisfied.

Numbers of these are daily visitors to the immigration agent here, and great patience and tact are necessary to deal with them.

Cases really worthy of commiseration are those where fathers have died, or heartless husbands have abandoned their wives and children, in their selfishness to return home.

Such occurrences are not unfrequent, and necessitate the services of the agent, who can relieve, through the local benevolent society, much distress amongst women and children, otherwise left, without means and ignorant of the language, quite helpless.

It would be unfair, however, not to state that many who happened to be mixed with those large batches of immigrants are, notwithstanding great hardships, doing well in the colony of "Naposta," which was improvised for them on their arrival, and doubtless their perseverance and labour will be the means of affording their children a competency.

With reference to the prospects the country offers to intending immigrants, it would not be judicious at present to encourage anyone, who does not know the Spanish language, to break up a home on the chance of bettering himself and family here unless possessed of ample menas.

Farmers with means, and enterprising business men, will find an ample field to display their energies in the Argentine Republic; but they should proceed with caution at first, and explore their ground before launching themselves and families in any undertaking.

Too many failures have been caused by over-sanguine expectations based merely on first impressions. Many, dazzled by speculative booms and easy credits, misled themselves with the belief that their talents were at last being appreciated in a new world, only to find out that they were being duped by older hands who had learnt to live upon them.

Steady and sober agricultural labourers, navvies without families, and respectable servant girls are sure to get almost immediate employment; and if they do not become contaminated and restless with the ideas instilled by a disturbing and vagrant element, which they are bound to come in contact with, success will probably crown their efforts in the end.

They must also be prepared for a complete change as regards food, living, and customs.

Others who emigrate possessing special trades or vocations must not expect at once to obtain employment in their own line, but must be prepared, able and willing, to turn to anything that may offer until a favourable opening should occur.

Clerks who do not know the language of the country should consider well their means before venturing out here, as it is not so easy to return home.

Offers to be taught farming by payment of a premium should be scrupulously avoided, as any suitable person desirous of attaining such knowledge can easily do so in return for his services.

For surveyors and engineers lucrative employment offers here as elsewhere. Architects, builders, and experienced contractors

with means will find competition here not as keen as in other parts.

The mining resources of the country are not such as to warrant the encouragement of mining engineers or miners.

Schoolmasters, professors of music, &c., are not required.

The "hotel" destined to accommodate immigrants on arrival at Buenos Ayres is now being enlarged and improved, so as to adequately meet any contingencies which may arise.

All immigrants are landed, lodged for five days, and sent to any part of the republic they may select free of expense.

As regards the subsidiary or assisted passages, by which immigrants were brought out, it does not appear that any steps have been taken to recover any sums due in respect thereof.

By a Government decree passages are now issued to relations and friends of persons residing here, under proper guarantee, as per particulars in accompanying pamphlet :—

Immigration.

Passages Advanced to Immigrants from Europe to Buenos Ayres.

How to Apply for Passages with a View to Bring Out Relations, Friends, and Fellow-Labourers, and Pay the Amount in Two Years and a Half, in Five Instalments.

The Foreign Office of the Argentine republic advances these passages to any person whatsover of good habits and fond of work.

The office where the passages are handed over is in Calle 25 de Mayo, corner of Calle Corrientes, Buenos Ayres—Department General of Immigration.

What steps are to be taken to obtain passages from Europe to Buenos Ayres, as advanced by the National Government?

The passages are asked for at the Department General of Immigration, or at the Sub-Commission of Immigration; of these there are many in the republic.

Who can ask for these passages?

Any person at all settled in the country, and who proves his conduct to be good and his application to work; to which end he must furnish testimonials from persons of respectability.

What qualifications must the immigrant have for said advanced passages?

He must be either a husbandman, an artisan, a day labourer, or a handicraftsman.

He must not have reached 70 years of age.

His habits must be good, and he must be able to work well at his usual craft or business.

What steps are to be taken to apply for these passages?

Application is to be made at the Passage Bureau, Buenos Ayres, Calle 25 de Mayo, corner of Calle Corrientes, or at the Sub-Immigration Commission at the town where he lives. Said

application, made out on ordinary paper, must state the number of passages asked for, and the person's own name, residence, and business; it must also give the name, residence, and business of the persons that the applicant desires to bring to the country. By means of this application the passage tickets will be given him.

Is there any formula for these applications?

Yes; the Passage Bureau in Buenos Ayres and the Sub-Commissions in the provinces and national territories have a printed application on hand similar to the following one; but any kind of paper will do, although it is as well to make out the application as like as possible to the following:—

MODEL Form of Application for Passages at the Central Immigration Office.

de 18

Comisario General de Inmigracion.

abajo firmado, de profession domiciliado en la calle de No. ofreciendo sumaria informacion sobre mi persona en caso necesario, solicito pasaje subsidiario para los siguientes individuos:—

Nombre.	Edad.	Profesion.	Residencia.

Debe embarcarse en el puerto de y á su arribo firmará las letras correspondientes.

Aceptando solidariamente con el concesionario del pasaje las obligaciones de la ley de 3 de Noviembre de 1887 para la amortizacion y las de la ley de Inmigracion para optar al título y privilegios de inmigrante, declaro que los nombrados se encuentran en las condiciones requeridas por los artículos 12 y 16 y vendrán munidos de certificados de *vita et moribus* de las autoridades locales legalizados por el Cónsul Argentino del puerto de embarco, segun la disposiciones penales del art. 35 de misma ley.

Dios guarde á Vd.—*N. N.*

de 188

Señor Presidente de la Comision de Inmigracion de

N. N., agricultor, domiciliado en este Departamento, No. solicita de Vd. pasaje subsidiario para ó para la familia compuesta de las siguientes personas:—

Nombre.	Domicilio.

Ofrezco informes ó informacion sumaria respecto de mi persona y antecedentes si fuere necesario, sujetándome solidariamente con él ó con los concesionarios á las obligaciones de amortizacion é interés impuestos por la ley de 3 de Noviembre y

á las condiciones requeridas por la ley de 19 de Octubre del 76 para optar al título de immigrante, sometiéndome además en caso contrario á las disposiciones penales de dicha ley sin reserva alguna.—*N. N.*

How is the Government passage to be paid?

When the immigrant whose passage was advanced him arrives at Buenos Ayres, he signs an obligation (a bill) for six months for the value of the passage, together with the person who made the application, and who is his guarantee.

Said bill is delivered at the National Bank. At the end of the six months the fifth part of the debt is paid in, and another bill is left for the amount that remains due.

The bank has to be paid, besides, 8 per cent. annual interest.

For instance, a person who has received an advanced passage of 60 dol. signs a bill for that amount, say on July 1, 1889.

Six months after, on January 1, 1890, he pays at the bank 12 dol. for the debt and 1 dol. 92 c. interest—total 33 dol. 92 c. —and leaves another bill for 48 dol., which he still owes.

On July 1, 1890, he pays 12 dol. more of his debt and 1 dol. 44 c. interest, or a total of 13 dol. 44 c. On January 1, 1891, and July 1 of the same year, he pays off other portions of his debt. On January 1, 1892, he pays the last part, without having had to deprive himself of any large sum of money for his debt, while applying to his trade or business what he has economised.

Where are these several instalments to be paid in?

Residents in Buenos Ayres will pay at the National Bank, and residents in other towns at the branch houses of the same bank, which are established at the capital of each province and at the chief towns. Whenever the debtor moves to some other place he should communicate the fact to the Immigration Department, with a view to recovery of that portion of the debt which he has to pay every six months, and bearing in mind that the amount of the passage is money lent him, confiding in his good faith and exertions.

Are passages given to children who accompany their parents out?

Yes; besides full passages for grown-up people there are half and quarter passages, according to the age of the children. Small babies do not pay at all.

For what steamers are the passages given?

For those of all the navigation companies that arrive at Buenos Ayres.

Is it possible to get advanced passages for groups of families intending to found colonies?

Yes; they can be applied for, as in the case of a single person or family, at the Department General of Immigration or at the sub-commission.

And should the names of the parties that are to be brought out not be known, an application in writing (on stamped paper, of 50 c.) is sent into the Foreign Office (Buenos Ayres, Calle de Florida, No. 528), asking for the requisite number of passages, mentioning the land where the colony is to be established, the place the immigrants are to come from, and engaging not to bring people of

bad conduct or unable to work, and presenting, moreover, two persons of responsibility to sign the obligations for the amount of the passages.

In what practical form is an application of this kind to be made out?

The following form may be adopted for the application of those who desire to bring out groups of families to establish colonies:—

Exmo. Señor:

Fulano de tal, abajo firmado, en representacion de la Empresa Colonizadora que dispone de un terreno de hectáreas bicado en el Departamento de la provincia destinada á la colonizacion sujetándose á las prescripciones de la Ley de 3 y al Decreto de 19 de Noviembre de 1887, solicita pasaje subsidiario para personas ó familias compuestas de personas los cuales vendrán en calidad de inmigrantes munidos de certificados de *vita et moribus*, legalizados por los Cónsules Argentinos de la respectiva residencia á fin de optar á los previlegios de l ley de 19 de Octúbre de 1876.

Firmarán las letras correspondientes el Señor Don como girante y el Señor Don como aceptante que suscriben la presente solucitud.

Dios guarde á V. E.

LIST of the Branch Houses of the National Bank, where the Immigrant, favoured with an advanced passage, has to pay his Debt.

Central House, 181, Calle Reconquista.

Province of Buenos Ayres.
- Branch—Azul.
- „ Bahia Blanca.
- „ Pergamino.
- „ Chivilcoy.
- „ Dolores.
- „ San Nicolás.
- Agency—Boca del Riachuelo—Dependant on the Central House.

Province of Catamarca.
- Branch—Catamarca.

Province of Córdoba.
- Branch—Córdoba.
- „ Rio Cuarto.
- Agency—Belle-Ville—Dependant on the Rosario Branch.

Province of Córrientes
- Branch—Córrientes.
- „ Goya.
- Agency—Bella Vista, „ Esquina, „ Mercedes } Dependant on the Goya Branch.
- „ Santo Tomé—Dependant on the Posadas Branch.
- „ Curuzú-Cuatiá, „ Monte Caseros, „ Paso de los Libres } Dependant on the Concordia Branch.

Province of Entre Rios.
- Branch—Concepcion del Uruguay.
- „ Concordia.
- „ Gualeguay.
- „ Gualeguaychú.
- „ Paraná.
- Agency—Diamante, „ La Paz } Dependant on the Paraná Branch.
- „ Colon, „ Villaguay } Dependant on the Uruguay Branch.
- „ Nogoyá, „ Victoria } Dependant on the Gualeguay Branch.
- „ Rosario del Tala—Dependant from the Gualeguaychú.

Province of Jujuy.
Branch—Jujuy.
Province of Mendoza.
Branch—Mendoza.
Province of the Rioja.
Branch—Rioja.
Agency—Chilecito.
Province of Salta.
Branch—Salta.
Agency—Cafayate.
Province of San Juan.
Branch—San Juan.
Province of San Luis.
Branch—San Luis.
Agency—Villa Mercedes.
Province of Santa Fé.
Branch—Colonia Esperanza.
„ Rosario.
„ Santa Fé.
Agency—San Cárlos—Dependant on the Santa Fé Branch.
Agency—Cañada de Gomez—Dependant on the Rosario Branch.
Province of Santiago Del Estero.
Branch—Santiago.
Province of Tucuman.
Branch—Tucuman.
National Territory of Missions.
Branch—Posadas.

Branch Immigration Offices where assisted Passages can be obtained.

Azul	Gualeguay	Rosario (Santa-Fé)
Arrecifes	Gualeguaychú	Rio 4°
Azcuénaga	Goya	Rioja
Arroyo Seco	General Acha	Resistencia
Andalgalá	Jujuí	San Antonio de Areco
Bahía Blanca	Junín	San Pedro
Bragado	La Plata	San Nicolás
Baradero	Lincoln	Salado
Belle Vista	Lujan	Santo Tomé
Belle Ville	Lobos	San Cárlos
Bolivar	La Paz	Santiago del Estero
Chivilcoy	Mercedes (San Luis)	Salta
Chacabuco	Mercedes (Bs. Ayres)	San Luis
Capitan Sarmiento	Mar del Plata	San Juan
Campana	Monte Caseros	Solalinda
Concordia	Mendoza	Santa-Fé
Colon	Marimamuel	Saladillo
Corrientes	Nueve de Julio	Tandil
Cañada de Gomez	Nogoyá	Tucuman
Córdoba	Olavarria	Tinogasta
Catamarca	Pergamino	Timbo
Chilecito	Patagones	Uruguay
Dolores	Puan	Victoria
Diamante	Paraná	Villaguay
Estacion Echevarria	Posadas	Viedma
Esquina	Pilar	Zárate
Estacion Galvez	Ranchos	
Estacion Roca	Rosario Tala	

The advanced passage is a loan to the immigrant; it is money confided to his honesty and willingness to work, and therefore he ought to be extremely careful to return it, in accordance with the obligation he signs on arrival at Buenes Ayres.

The annexed table shows the number of immigrants, with their nationalities, landed at Buenos Ayres during the first four months of the present year, which, compared with a corresponding period of the previous one, gives a deficit of 22,963.

The other tables appended give a resumé of the immigrants landed during the year 1889 properly classified.

NUMBER of Immigrants landed at Buenos Ayres during the first Four Months of the Year 1890, classified according to Nationality.

Nationality.	January.	February.	March.	April.	Total.
British	73	98	125	127	423
Italian	4,911	4,820	4,088	3,114	16,933
French	3,396	1,734	2,577	1,728	9,435
Spanish	2,494	2,205	904	1,104	6,707
Austrian	353	170	165	291	979
Swiss	184	50	81	133	448
Dutch	143	48	18	56	265
Russian	102	39	21	10	172
Belgian	78	51	61	112	302
German	55	74	151	134	414
Portuguese	47	7	.	6	60
Argentine	36	45	15	12	108
Turkish	35	21	3	..	59
Danish	30	27	73	29	159
Swedish	13	22	14	8	57
Roumanian	11	2	1	2	16
Brazilian	2	3	2	..	7
Greek	1	5	1	..	7
North American	..	23	..	..	45
Chilian	..	..	1	..	1
Total	11,964	9,444	8,310	6,879	36,597
Came from Monte Video without classification ..	..	..	..	..	25,579
Total	..	..	..	..	62,176

Total Number of Immigrants Landed at Buenos Ayres during the Year 1889, according to Nationalities.

Nationality.	Total.
British	5,967
Italian	88,647
Spanish	71,151
French	27,173
Belgian	8,666
Austrian	4,225
Dutch	4,007
German	2,599
Turkish	2,020
Swiss	1,571
Russian	1,332
Danish	394
Swedish	269
Argentine	230
Portuguese	160
North American	117
Roumanian	70
Greek	61
Brazilian	28
Oriental	21
Moorish	18
Peruvian	7
Arabian	3
Chilian	3
Bolivian	2
Paragayan	1
Colombian	1
Mexican	1
	218,744

Immigrants Landed at Buenos Ayres during the several Months of the Year 1889.

Month.	From Europe.	From Monte Video.	From Various Places.	Total.
January	19,901	2,814	15	22,100
February	20,264	3,301	30	23,595
March	15,363	3,591	8	18,965
April	15,726	4,748	5	20,479
May	16,326	4,530	33	20,889
June	17,447	2,758	..	20,205
July	13,060	3,508	1	16,569
August	15,368	3,599	2	18,969
September	14,674	3,286	9	17,969
October	21,456	3,681	1	25,138
November	29,417	3,507	7	32,931
December	19,739	3,361	..	23,100
	218,744	42,054	111	260,909

Immigrants disembarked on account of the State as follows:—

Adults	148,893
Children	28,619
Infants	8,411
Total	185,923
Disembarked at own expense ..	74,986
	260,909

ROSARIO.

Report by Immigration Clerk, Hugh M. Mallet, on the Working and Duties of the British Immigration Office at Rosario, with Sundry Remarks re Immigration.

The establishment in October last of a British Immigration Office in this city filled a much needed vacancy, as owing to the great influx of British immigrants, more especially last year, brought about by the propaganda of the National Governments agents in Europe, an office where the British immigrant could obtain reliable information and advice, so necessary to new comers, has proved of great assistance.

The selection of immigrants has unfortunately, more especially in those large numbers, landed here last year from the "Dresden" and "Munchen," been a sad error. Not a few of those people were induced to break up their homes and come abroad on the strength of false representations of fortunes to be made, set forth to them by agents, whose only object was to mass numbers for shipment, without any consideration as to their fitness for the duties they were expected to fill. It is with this class of immigrant this office has met with considerable difficulty in settling, and but for the timely assistance tendered by the generous action of British residents, in contributing to establish an immigration fund, many of these poor people would have suffered great privation. Strangers in a country, with no knowledge of its language and customs, in many cases possessing no trade, without means, and not unfrequently encumbered by a family, it is not to be wondered that their complaints reached their friends at home, and is no doubt the principal cause which has brought about a falling-off in the arrival of the British immigrant, which is much to be regretted, as this country offers many advantages to the true labouring class.

I am glad to be able to report that the immigrants arrived here last year are now, with very few exceptions, comfortably settled, and in some instances are even prospering.

The register kept at this office shows that since October last, when the immigration duties commenced, 86 persons have been found employment, 73 have received assistance from the Immigration Fund, and advice has been tendered to 209; in the latter figures are included families passing through to the interior provinces.

THE following Table shows the Number and Nationality of Immigrants Entered at the Immigration Hotel at Rosario during the Year 1889.

Months.	Italians.	Spaniards.	French.	Austrians.	British.	Swiss.	Dutch.	Belgians.	Germans.	North Americans.	Brazilians.	Greeks.	Norwegians.	Portuguese.	Turks.
January ..	1,345	551	524	63	15	18	102	158	15	..	1	..	3	..	..
February ..	795	383	551	119	10	10	21	133	22	..	..	..	..	..	2
March.. ..	1,501	767	624	222	74	19	23	464	10	4	..	..	2	..	..
April	967	524	307	164	389	29	..	44	31	2	..	..	..	2	..
May	972	510	977	365	126	30	3	48	9	..	3	..	1	..	..
June	780	2,121	309	67	30	12	40	5	8	..	..	2	..	..	15
July	662	2,069	435	37	28	4	176	9	7	..	..	..	..	..	..
August ..	327	1,457	80	43	39	18	..	4	3	..	..	3	5	..	..
September ..	592	1,767	381	159	40	14	30	1	25	..	2	..	..	..	10
October ..	1,698	2,239	317	100	33	20	..	1	18	3	..	..	..	..	..
November ..	2,023	1,652	141	37	21	33	130	6	18	5	..	..	2	1	20
December ..	1,546	1,419	140	70	19	27	97	7	4	1	..	..	..	..	6
Total ..	13,208	15,459	4,786	1,446	814	229	622	880	170	15	6	5	13	3	53

giving a total of 37,709 immigrants.

The National Immigration Hotel of this city, a provisional and suitable building, has accommodation for about 1,000 persons. It is here where the immigrant is lodged on his arrival, and is allowed to live free for five days, or a longer period if employment has not been obtained for him. It not unfrequently happens, however, that to make room for new arrivals the immigrant is obliged to accept an employment for which he is unfitted, and thus, finding himself not unfrequently with a family in an unfortunate position, he comes to this office for assistance and advice.

The immigration officials have always been most courteous in attending to complaints referred to them by this office.

The National Government has contracted for the building in this city of several immigration hotels, to be supplied with all most modern improvements as regards comfort, ventilation, draining, &c.

Sundry remarks.

The province of Santa Fé, of which Rosario is the largest city (population about 65,000) and principal port, may be described as being the centre of agriculture of the Argentine republic. Within the last few years cattle and sheep farmers have been obliged to give way to the colonist, removing their stock to more distant and cheaper lands, and vast tracks, until recently the pasture ground of animals, have become prosperous colonies.

Wheat, maize, linseed, and potatoes are the principal staples of produce, and, owing to the fertile soil and favourable climate, the yield of these crops is, as a rule, very favourable. The class of immigration most suited for this district is therefore those who understand agriculture. On arrival, the immigrant with his family and baggage is forwarded at Government expense to any part of the country he may choose to settle in.

The Government will advance passages to relatives and friends of any person settled in the country who proves his conduct to be good and his application to work, to which end he must furnish testimonials from persons of respectability. The cost of the passage is refunded to the Government by the immigrant, who repays them in half-yearly instalments of 20 per cent. plus 8 per cent. interest.

The owners and agents of the numerous colonies are always prepared and glad to receive the agricultural labourer. If he is at all industrious he is granted as much land as he can cultivate, supplied with ploughs, implements, animals, &c.; is, in fact, set up by the owner of the colony, who receives as payment for rent and outlay from 30 to 50 per cent. of the net result of the crops.

It is thus brought about that both the landlord's and settler's aim is to obtain as large a crop as possible. After two prosperous years the settler is able to purchase land and start on his own account. This system has proved most successful, more especially with Italian and Spanish immigrants, who no doubt have exceptional advantages, owing to climate and customs being so similar to their own, and the large numbers of their countrymen settled here, from whose experiences they benefit. There is also always employment in the larger towns for the artisan handicraftsmen,

more especially for carpenters, masons, shoemakers, also for male and female servants.

For the clerk, even if possessed with a knowledge of the language, there is no prospect, unless, after having schooled himself into the customs of the country, he has capital wherewith to start business on his own account. Hiring is expensive, articles of clothing dear, and rents very high.

The following is the present current rate of wages within my district in currency. Owing to the present financial currency crisis under which this country is labouring, it is impossible to fix a gold basis, as the fluctuations on the premium on gold are so great:—

	Minimum.	Maximum.	
	Dol. c.	Dol. c.	
Mechanics, from ..	4 0	6 0	Per day
Engine-drivers ..	4 0	6 0	„
Carpenters	3 0	7 0	„
Painters	2 0	4 0	„
Shoemakers	2 50	4 0	„
Decorators	2 0	5 0	„
Founders	2 50	3 0	„
Sculptors	4 0	8 0	„
Labourers	1 50	2 50	„
Masons	5 0	8 0	„
Bricklayers	2 0	4 0	„
Servants, male ..	30 0	50 0	Per month, and found
„ female ..	25 0	40 0	„ „
Cooks	25 0	60 0	„ „
Grooms	30 0	70 0	„ „
Clerks, ordinary ..	80 0	150 0	Per month
„ book-keepers..	180 0	400 0	„
„ accountants ..	180 0	400 0	„

During harvest months, from November to May inclusive, the labourer can always count on employment in the country at good wages—from 40 dol. to 60 dol. per month, with board and lodging.

Land for agriculture, sheep or cattle farming, can be purchased or rented on reasonable and favourable terms, prices varying according to situation and distance.

Although the immigrant may count on obtaining employment on his arrival, it is indispensable that he should come prepared, more especially if he brings his family, to meet expenses for the first month or two, of rent and purchase of house necessaries, as he cannot expect to be advanced funds to settle himself and family.

The following statistics are interesting as demonstrating the importance immigration to this country has assumed:—

From the year 1870 to 1889, inclusive, 1,470,619 immigrants have arrived in the Argentine republic; the largest number for any one of these years correspond to 1889, the number of immigrants for that year reaching 260,909, and the lowest figure,

20,930, to 1871. From the latter date the increase has grown yearly. This province has benefited to the extent of 160,343, say 15·24 per cent. of the total arrivals, and is, after Buenos Ayres, the province most favoured by immigration. Of these 160,343 immigrants, 64 per cent., were agricultural labourers, and the balance, 36 per cent., of various professions, and may be classified as follows: males, 111,345; females, 29,855; and 19,143 children.

The number of British subjects residing in this province are said to number over 5,000, of which over 2,000 reside in this city.

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REPORT ON

EDUCATION IN HUNGARY.

Presented to both Houses of Parliament by Command of Her Majesty, MAY, 1890.

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No. 163.

AUSTRIA-HUNGARY.

BUDA-PESTH.

Sir A. Nicolson to the Marquis of Salisbury.

My Lord, *Buda-Pesth, March* 15, 1890.

I HAVE the honour to transmit herewith a Report which I have drawn up on the System of Education in Hungary, containing a short summary of the laws in force on the subject, and also of the latest report of Count Czaky, the Minister for Worship and Public Instruction.

I have, &c.
(Signed) A. NICOLSON.

Report on Education in Hungary.

I propose in this report to give a sketch of the education laws now in force in Hungary, and also to supplement that summary with extracts from the most recently published report of the Minister of Public Instruction, in order that some information may be afforded of the results obtained by the present legislation.

Primary education laws.

The law which regulates the primary education in Hungary was promulgated in 1868. Some of the provisions of this law in regard to the control and administration of the schools were modified by a law passed in 1876, but as the main substance of the law of 1868 was left unaltered, I will commence by summarising the most important of its regulations at present in force.

Law of 1868.

By the law of 1868 parents are bound to send all children to school from the expiration of their sixth year to the end of their 12th or 15th year. Those children who are physically or mentally incapable can, on a doctor's certificate, be exempted from attendance at school. Should parents neglect to observe the above regulation they will for the first offence be fined 10*d.*, for the second 1*s.* 8*d.*, for the third 3*s.* 4d., and for the fourth 6*s.* 8*d.* Should the parents still neglect their duty, the school commission would report the matter to the school inspector, who may demand that the local authorities appoint a special guardian

Penalties for non-attendance at school.

Private education.

for the child, or children, in question. Parents and guardians are at liberty to educate their children at home, or in a private, or in a public confessional school, but they must exhibit to the local school commission a certificate to that effect, and the school inspector is to see that the child receives an education in accordance with the regulations laid down for the primary schools. Those children who are educated at home have annually to give proof of their progress before the teachers of some public educational establishment.

Voluntary schools.

Public primary schools can be established by religious communities, societies, communes, or by the State. Religious communities can open schools for members of their faith, select and pay the teachers, and choose their own school books, provided they are not against the law. For the internal administration and economy the confessional schools must conform to the prescriptions of the law governing other schools in those respects. Every confessional school is under the supervision of the State, and it is therefore the duty of the Government to have the confessional schools inspected by the proper authorities. Societies and private individuals may also establish primary schools, but the head of a private school must show that he is competent to teach, and must, as in confessional schools, conform to the provisions of the law. In communes where there are no confessional or other schools, the commune is bound to establish a primary school. These schools are open to all children of the commune without distinction of religion. In communes of different confessions, if the confessions maintain schools of their several faiths in accordance with the law, but consider that they could with united forces better maintain a school in common for which they could obtain the support of the commune, or even of the State, they can form a common school, which consequently becomes a communal school.

Communal schools.

The communal schools must be supported by the commune, who may levy rates for the purpose, but which must not exceed 5 per cent. of the direct taxes; and a school fund should be established either in land or money. If the commune should find that they have not sufficient money to properly support the schools, they may apply to the State for assistance. If in communes, where only confessional schools exist, there are at least 30 children belonging to other confessions without a school which they can attend, the commune must provide a school for those children. If there are less than 30 children without school provision, they must attend the existing confessional schools, though religious instruction must be given to them by their own spiritual advisers. Communes can combine to support a school in common if they are not distant more than half a geographical mile from each other.

Subjects of instruction.

The following subjects must be taught in the elementary schools: 1. Religion and morals; 2. Reading and writing; 3. Mental and written arithmetic, weights and measures; 4. Grammar; 5. Elements of physical and natural history; 6. National geography and history; 7. Practical instruction in

matters relating to agriculture, especially gardening; 8. Short description of civil laws and duties; 9. Singing; 10. Gymnastics, with reference to military exercises. The school terms in the country must last for at least eight months in the year, and in the towns at least nine months. In the elementary schools there are two courses of instruction, the daily course, which lasts for six years (6 to 12 years of age); and the repetition ("Wiederholung") course, which lasts for three years (12 to 15 years of age). The number of hours for instruction are for the daily schools 20, or at most 25 hours a week, including religious and moral instruction, but not comprising agricultural teaching and gardening. In the repetition course the amount of study is five hours a week in winter and two hours in summer. After a child has completed his 10th year, he is permitted, in the agricultural districts, to be absent during two months of the busy season. The lessons are to be taught to a child in his mother tongue.

Higher primary schools.

The communes of those localities or towns which have a population of at least 5,000, are bound to maintain a higher primary school, or, if their means permit, a "Bürger" school. The school committee, which supervises the elementary schools, will also act in regard to these institutions. The course in the higher primary schools is three years for boys and two years for girls. On entry into the higher primary schools, the pupil must produce a certificate showing that he has completed his six years' course in a lower school, or pass an examination to prove that he is qualified to enter the higher school. The subjects of instruction in the higher primary schools are for boys: (*a*) Religion and morals; (*b*) Writing and drawing; (*c*) Mother tongue; (*d*) Hungarian language, when the lessons are not given in that tongue; (*e*) Arithmetic and geometry; (*f*) Physics and natural history; (*g*) Geography and history; (*h*) Principals of rural economy; (*i*) National constitutional law; (*k*) Simple book-keeping; (*l*) Gymnastics; (*m*) Singing. For girls: (*a*) Religion and morals; (*b*) Writing and drawing; (*c*) and (*d*) Same as for boys; (*e*) Reckoning; (*f*) and (*g*) Same as above; (*h*) Singing; (*i*) Female handiwork. The number of hours of instruction weekly is at least 18, and at most 24. A teacher is not bound to give more than 30 hours' instruction weekly.

"Bürger" schools.

Communes, whose means permit of it, are to establish "Bürger" schools without distinction of religion. In the "Bürger" schools the course of instruction is six years for boys and four years for girls. A pupil must, before entering, either undergo an examination to prove his qualifications, or produce a certificate to show that he has completed four years in an elementary primary school. The hours of instruction weekly are at least 24, and at most 26. The subjects of instruction are: (*a*) Religion and morals; (*b*) Mother tongue and literature; (*c*) Where the lessons are not given in Hungarian, then Hungarian; (*d*) Where the lessons are given in Hungarian, to be German after the third year; (*e*) Reckoning and statistics; (*f*) Geometry; (*g*) Geography and history; (*h*) Physics, natural history, and chemistry;

(*i*) Bookkeeping; (*j*) Agricultural and commercial sciences; (*k*) Drawing; (*l*) Singing; (*m*) Gymnastics. If means permit of it, extra lessons can be given in foreign languages, music, &c.

Schools must be built on a dry soil in a healthy situation. No schoolroom is to contain more than sixty children, with eight to twelve square feet to each child. Boys and girls are to be, as far as is possible, separated, and taught in different rooms. No teacher is to instruct more than eighty pupils at a time.

Preparatory schools for teachers.

The State may establish in different parts of the country twenty preparatory schools for teachers. A school of this kind must be surrounded by a garden of at least three acres, so that the students can receive practical instruction in agriculture, horticulture, and viticulture. A student before entry must have completed his fifteenth year, and must pass an examination or show that he has a competent knowledge of the subjects taught in the four first classes of the gymnasiums, or of the "Real" or "Bürger" schools. As these preparatory schools are strictly State schools, the religious instruction of the students is under the care of their respective confessions. The salaries of these religious teachers are paid by the State. Meals are taken by the students in common at moderate prices. The State can also establish female preparatory schools in which the students can board and lodge. Girls must have completed their fourteenth year before entering.

In the teachers' preparatory schools the course of instruction is for three years, and comprises the following obligatory subjects of instruction:—Religion and morals, method of teaching, general and national geography and history, mother tongue, Hungarian, German, natural sciences in their application to agriculture and industries, national constitutional law, mathematics and geometry, singing and music (especially the violin and piano), calligraphy and drawing, gymnastics, &c. The girls are also taught housekeeping and female handiwork.

Qualifications of teachers.

Teachers must show a diploma that they have completed the full course in a teachers' preparatory school. Diplomas for special subjects permit the teachers to give instruction in those subjects only. In "Bürger" schools experts may, in exceptional cases, give instruction in their special subjects. The teachers are elected by the school committee of the commune. Assistant teachers need not necessarily have a diploma; but must have completed the preparatory course. The teachers are elected for life, and can only be dismissed through neglecting or exceeding their duty, and on account of immoral conduct or of crime. The decision to dismiss a teacher taken by the school authorities must be confirmed by the Minister of Public Instruction. On the death of a teacher his widow or orphans may enjoy for six months his full salary and his dwelling. The salary of a teacher is settled by the school committee, according to local circumstances, with the approval of the superior committee of the county.

Pay of teachers.

Besides a respectable dwelling with at least half an acre of

garden, the salaries are not to be lower than the following minimum:—

		£	
(*a*)	For ordinary elementary school teachers	25	a year.
(*b*)	„ „ „ „ assistant-teachers	17	„
(*c*)	„ teachers in the higher primary schools	46	„
(*d*)	„ assistant-teachers in the higher primary schools	21	„
(*e*)	„ teachers in the "Bürger" schools in larger towns	66	„
(*f*)	„ „ „ „ „ „ smaller „	58	„
(*g*)	„ assistant-teachers in the "Bürger" schools in larger towns	33	„
(*h*)	„ „ „ „ „ „ smaller „	29	„

Under certain circumstances it may be permitted to pay a certain proportion of these salaries in kind. Two per cent. of the yearly salary of the teachers is deducted by the commune for the Teachers' Relief Fund. The teachers of commmunal, national, and "Bürger" schools are to constitute themselves into a teachers' corporation for each school district, and this corporation is divided into as many committees as there are "Bezirke" in the county. These committees are to meet twice a year, and the whole corporation once a year for a teachers' conference. The Minister of Public Instruction issues instructions in regard to these conferences

Besides the primary schools which the communes are bound to establish in accordance with the law, the Minister of Public Instruction may establish primary schools, solely at the expense of the State, according as the local circumstances may require, which shall be placed under the supervision of the county committee and of the Government School Inspector.

School Boards.

The communal primary schools are under the authorities of the commune; the confessional schools under the ecclesiastical authorities. Both these bodies elect a committee of at least five members to supervise the affairs of their respective schools, and the members of these school committees should, if possible, be persons acquainted with educational matters. Besides the elected members, the regular clergyman of each confession represented in the locality, and the schoolmaster, or the representative of the corporation of schoolmasters, are members of the school committee of the commune. In communes where there are at least 15 teachers the latter are allowed to elect two representatives on the school committee; if there are at least 30 teachers, then three representatives can be elected. Some adjacent communes can combine to have one common school committee, which can arrange within its own body as to the number of members who are to serve on it. The members of the school committee are elected for three years, but are eligible for re-election. Curators are elected by the school committee for the administration of the finances, the maintenance of school buildings, etc.

District school councils.

Under the law of 1868 a district school council was established, composed in varying proportions of elected members from the different school committees in the county, and from the several confessional school boards. These school councils, who exercise a supervision over the work of the subordinate school committees,

appear to have been superseded, as the Law of 1876 abrogates the provisions regarding their formation. Now, I am informed, the county council delegates the supervision of school affairs to a special committee; or, in towns, the municipality follows a similar procedure. I am told, however, that, in the provinces especially, the real control over the school committees, and education generally, is in the hands of the Government school inspector.

Government school inspector.

The Government school inspector is appointed by the Minister of Public Instruction, and has, as a rule, only one school district under his charge, though in exceptional cases several small adjoining districts may be combined under one inspector. The inspector, who is a member of the school committee of the county, must inspect at least once a year the State and communal primary schools, the confessional schools, the schools belonging to societies or private individuals, elementary as well as higher, and see that all the regulations are properly observed. He reports both to the Minister of Public Instruction and to the school committee of the county.

The school committee of the county decides, as a court of second instance, on difficulties which have arisen either between parents and teachers, or teachers and the school committees of the commune, but an appeal lies from them to the Minister of Public Instruction.

The State primary schools are under the direct control of the Ministry of Public Instruction, which appoints curators and lays down regulations.

Buda-Pesth forms a school district by itself, and possesses several school committees for the different quarters of the city. These committees have the same powers as those in other parts of the country, except that the election and supervision of the teachers and the management of the school funds are under the immediate control, and within the competency of the permanent central school committee of the magistracy of the town.

Report of Minister of Public Education on primary schools.

Having now given a summary of the laws governing primary education, I will make a few extracts from the Report of the Minister of Public Instruction in regard to primary schools before dealing with the middle school education. I should premise that the data given in the following pages, both in regard to primary and middle schools, do not apply to Croatia-Slavonia, which has an independent system of education.

Hungary, by the census of 1880, contained a population of 13,749,603 souls.

Number of pupils.

The number of children liable to attendance at the primary schools was:—

	1869. (The Year after the Law of 1868).	1887.
6–12 years of age ..	1,615,181	1,735,138
13–15 „ „ ..	668,560	642,420
Total	2,283,741	2,377,558

In other words, in 1869 for every 1,000 inhabitants the number of individuals liable to education at the primary schools was 168·5, and in 1887, 172·9.

Those who actually attended school was:—

	1869.	1887.
6-12 years of age	1,106,904	1,501,666
13–15 „ „	45,211	427,711
Total	1,152,115	1,929,377

Or in 1869 for every 1,000 inhabitants 80·5 individuals attended the primary schools, and in 1887, 140·3.

Dividing the pupils attending the primary schools according to sexes we have the following results:—

	1869.	1887.
Boys	636 793	1,029,518
Girls	515,322	899,859
Total	1,152,115	1,929,377

The primary schools can be classified as follows:— Number and classification of primary schools.

	1869.		1887.	
State schools		..		783
Communal schools		479		1,880
Confessional schools—				
Roman Catholic	5,217		5,386	
Greek Catholic	2,058		2,147	
Greek orthodox	1,604		1,170	
Calvinist	2,450		2,344	
Lutheran	1,397		1,437	
Unitarian	103		45	
Israelite	490		544	
		13,319		13,673
Private schools		..		171
Society ("Verein") schools..		..		31
Total		13,798		16,538

Classifying again the primary schools according to degree we find:—

	1869.	1887.
Elementary primary schools	13,798	16,301
Higher „ „ (boys)	..	74
„ „ „ (girls)	..	13
"Bürger" schools	..	150
Total	13,798	16,538

Cost of primary schools.

The cost of maintenance of the primary schools was, for 1869, 313,344*l.*; in 1887, 1,238,844*l.*—to which the State contributed 12·44 per cent., the communes 30·56 per cent., the confessions 21·99 per cent., the school fees 11·91 per cent.; and the remainder was supplied by interest on capital, immovables, &c. The school fees vary greatly according to the localities, and indigent pupils are excused from paying them. I am informed that they are very light, and do not average more than a few shillings a year.

Attendance at primary schools.

The attendance at school is improving, though not yet satisfactory. I have been informed that the official returns should not be taken as giving an absolutely accurate record of the number who attend school. The school inspector can only take cognizance of the abstentions which are reported to him, and which in 1887 amounted to 448,181; and there are no doubt many more children whose attendance at school is very intermittent; but whose absence is overlooked by the school commissions and masters.

Girls' schools.

The Minister in his report mentions that many obstacles are placed in the way of regular attendance by the parents, especially in regard to children over 12 years of age; and the abstentions are chiefly numerous in the north-eastern and eastern districts of the country. In regard to girls the Minister observes, that "while I recognise the fact that since the introduction of the Education Law the number of girls' schools has increased 162·52 per cent., and that the general level of female education has risen, I am still compelled to remark that a right appreciation of the importance of female education is not yet properly developed in the country, and that a large proportion of our population still appear to be averse to girls attending the schools." The Minister further draws attention to the deficiencies shown in the returns from some of the confessional schools, and to the laxity which in some cases has been exhibited in enforcing the attendance of children liable to instruction. The Roman Catholic and Protestant communities, and the Israelites, are generally excepted from this reproof; but the Greek Catholic and Greek Orthodox communities, which comprise the Serbs, Wallachs, and Ruthenes, are mentioned as being especially at fault in the above respects. Article 54, of the Education Law of 1868, lays down that in the villages there should be only three months' vacation at the utmost during the year, but in practice this limit is rarely observed. The number of days devoted to school instruction during the

year rarely exceeds from 160 to 200 days, and varies much according to the localities, and to the number of holidays which the several religious confessions observe. The Minister remarks, "the demands of an extensive system of agriculture, old habits which cannot be eradicated in a generation, the disinclination of the people to adopt new ideas, the fact that a great number of the teachers, in view of the smallness of their salaries, have to increase their means of livelihood by turning their hands to agriculture, are all circumstances which stand in the way of a strict execution of the provisions of the law in regard to school attendance. Moreover, the school inspectors find their sphere of action limited, and the local school authorities who, by the law, should aid their efforts, do not exhibit much zeal in so doing."

Supervision of school books.

Strict orders were issued in regard to the supervision of school books, and it was enacted that only those books which had been approved of by the Ministry were to be employed, and that all books in use were to be submitted for inspection. In some branches it was found necessary to reject more than 50 per cent. of those which were submitted for inspection, while in other branches not one single book could be admitted.

Results of primary education.

The report proceeds to allude to the results of the primary school education, and deals with the question as to what proportion of the children who attend the schools can, on the completion of their twelfth year, read and write. By reading the Minister states that he means that the pupil should understand what he reads, and by writing that he should be able to express his thoughts in a simple and logical manner. In 1887 there were 222,112 pupils who had completed their twelfth year, and who were consequently absolved from further daily attendance at school, though subject for a further period of three years to the repetition ("Wiederholung") course. Of those 222,112 children, 215,969 underwent examination, and it was found that 207,891 could read and write well, and 8,078 could only read. In 1869, the first year succeeding the introduction of the Education Law, 178,270 children left the primary schools able to read and write well; and it is estimated that, by 1887, 3,240,000 able to read and write well had, since 1869, been passed through the primary schools. Gymnastics are, by the law, an obligatory portion of the studies, but out of the 16,538 primary schools only 7,978 had places suitable for gymnastics, and only in 8,335 was instruction given in gymnastics. The Minister draws attention to the necessity of an improvement being made in this respect.

Number and classification of higher primary schools.

In regard to the 74 higher primary schools, 19 were State, 15 were communal subsidized by the State, 9 were maintained entirely by the communes, 9 were private, 14 Roman Catholic, 3 Greek Orthodox, 3 Calvinist, 1 Lutheran, and 1 Israelite; with 301 teachers, and attended by 2,766 pupils.

The 13 higher girl schools may be classified as follows:— 9 State, 1 subsidised by the State, 1 maintained entirely by the communes, 1 society ("Verein"), 1 private, and 1 confessional; with 143 teachers and 1,365 pupils. These schools possessed

13 gymnastic halls, 8 libraries, and 7 natural science experimental rooms. The cost of maintaining these schools was 18,430*l*.

Number and classification of "Bürger" schools.

The 150 "Bürger" schools may be classified as follows:—40 State, 41 subsidised by the State, 32 maintained entirely by the communes, 5 by societies ("Vereins"), 16 private, 8 Roman Catholic, 1 Greek Catholic, 5 Calvinist, and 2 Israelites; with 1,031 professors and teachers, and 16,663 pupils, (8,596 boys and 8,067 girls). These schools possessed 45 libraries, 28 laboratories, and 39 gymnastic halls. The cost of maintaining these schools was 92,252*l*.

In the primary schools there are employed 24,148 teachers (21,132 male and 3,016 female), but this number is considerably below what is required.

Middle Schools.

Middle schools.

The middle school education was taken seriously in hand in 1883, and although a sufficient time has not yet elapsed to allow of any extensive development, still satisfactory progress has been made. I will first summarise the law of 1883, regulating middle school education.

Middle School Law of 1883.

Under the designation of middle schools are understood gymnasiums and "Real" schools. The gymnasiums chiefly occupy themselves with affording a polite and classical education, while the "Real" schools devote themselves principally to modern languages, mathematics, and natural sciences. The gymnasiums and "Real" schools have eight classes. The ordinary subjects of instruction in the gymnasiums are:—(1) Religion and morals, (2) Hungarian language and literature, (3) Latin, (4) Greek, (5) German, (6) Geography, (7) Hungarian history, (8) General history, (9) Psychology and logic, (10) Mathematics, (11) Natural history, (12) Chemistry, (13) Geometrical drawing, (14) Calligraphy, (15) Gymnastics. There is at present an active movement to erase Greek from the obligatory subjects, and a long debate was held recently in Parliament on this question, the general opinion appearing to be in favour of excluding the Greek language. The matter is under the consideration of the Minister of Public Instruction. The subjects of instruction in the "Real" schools are:—(1) Religion and morals, (2) Hungarian language and literature, (3) German, (4) French, (5) Psychology and logic, (6) Hungarian history, (7) Geography, (8) General history, (9) Mathematics, (10) Natural history and geology, (11) Physiology, (12) Chemistry, (13) Geometrical drawing, (14) Freehand drawing, (15) Calligraphy, (16) Gymnastics.

Gymnasiums and "Real" schools. Subjects of instruction.

Confessional middle schools.

The religious communities can decide for themselves the language in which instruction is to be given in the middle schools which are maintained by them; but if it is not the Hungarian, then this language must be taught as one of the obligatory subjects. In order to prove that they intend to fulfil this obligation they must submit to the Minister of Public Instruction their programme of studies, and the number of hours they propose to devote to the study of Hungarian, as well as the books to be used.

The middle schools maintained by municipalities, communes, societies, and private individuals must submit their programme of studies to the Minister of Public Instruction, who will see if their proposals are suitable, and they must also use the lesson books which the Minister recommends and has sanctioned. The religious instruction in non-confessional schools is given by the several spiritual advisers to the members of their respective faiths.

Regulations as to middle schools.

Only those pupils who have completed their ninth year are admitted into the gymnasiums and "Real" schools, and they must present a certificate to the effect that they have successfully passed through the first four classes of a primary school. The number of hours of instruction are not to exceed 26 hours for the four lower classes of the middle school, 28 hours for the four upper classes; not including gymnastics in both cases. Not more than 60 pupils should be in the same class, if this number is exceeded then parallel classes must be formed. The amount of school fees to be paid in those schools which are under the control or direction of the State are fixed by the Minister of Public Instruction, while the fees to be paid in the confessional school are fixed by the ecclesiastical authorities. The school terms should occupy ten months in the year, the principal holidays being held in the months of July and August. The final examinations are held in presence of the head director of the school district or his delegate, and for the final examinations in confessional schools the Minister of Public Instruction sends a Government delegate. A diploma granted by a gymnasium entitles the holder to be admitted into any of the high schools (universities, &c.); but a diploma from a "Real" school only admits a pupil into the polytechnic or the mathematical—natural science—branch of the university, or into the mines, forests, and agricultural academies. If a pupil from a "Real" school passes also in Latin at a gymnasium examination he may be admitted into the medicine and law faculties of the universities; if he passes in Greek and Latin at a gymnasium examination he may enter any faculty of the universities.

Value of diplomas granted by gymnasium and "Real" schools.

Control of middle schools.

Every middle school is under the immediate control of the director, who must be an ordinary professor, and who, in the schools under direct State control, is appointed by the Crown on the recommendation of the Minister of Public Instruction. The confessional schools have considerable liberty of action in the appointment and dismissal of their directors and professors; but the steps they take in those respects must be submitted for approval to the Minister of Public Instruction. The middle schools of municipalities, communes, societies, and private individuals are governed by the same regulations as those affecting the schools directly under State control.

Middle school districts. Director.

The county is divided as regards middle schools into 12 school districts, at the head of each of which is a head director (Schul Distrikts Oberdirector). These are appointed by the Crown on the nomination of the Minister of Public Instruction. The director inspects all the middle schools, and sees that the regulations are properly observed. If a con-

fessional or communal school is not able to maintain itself out of its own means it may apply to the State, and the Minister of Public Instruction may grant it pecuniary assistance if he sees fit. If the amount of subsidy granted by the State is less than half of the expenses of the establishment, the State exercises merely a general supervision, leaving the direct and immediate control of the school in the hands of its former authorities; but if the subsidy is more than half of the expenses, then the State takes the establishment entirely under its direction and control. The Minister of Public Instruction is entitled to require from any middle school, confessional or others, not under his immediate direction, that they should furnish him with statistics and yearly reports regarding the interior economy of the school, and also full information in regard to all details connected with the method of instruction, school books, &c. If the Minister of Public Instruction observes any action in any confessional middle school which is opposed to public morality, or hostile to the State, he is empowered, should the ecclesiastical authorities neglect to remedy the evil, to delegate an official to examine into the matter, and if necessary to recommend to the Crown the temporary or permanent closing of the school. The school funds are left in the hands of the ecclesiastical authorities to be devoted to other educational purposes. The same regulation applies to communal, municipal, and private schools, except that the temporary or permanent closing of the school is within the competence of the Minister of Public Instruction, without reference to the Crown; and the abovenamed Minister in consultation with the Minister of the Interior arranges as to the disposal of the school funds. Notice must be given to the Minister of Public Instruction four months before any middle school is established, with full details as to the statutes, programme of study, &c., and the Minister can only refuse his sanction if the provisions of the law are not fulfilled. No foreigner or foreign society can establish a middle school in Hungary, nor can any confessional or other middle school receive any subsidy or material aid from foreign rulers or governments. Further, assistance can be accepted from foreign private individuals, or foreign societies, only on the condition that these exercise no influence over the direction and course of instruction of the schools.

State subsidies to middle schools.

Reports to Minister of Education.

Disciplinary powers over middle schools.

Report of the Minister of Public Education on middle schools.

Number and classification of middle schools.

According to the report of the Minister of Public Instruction the number of gymnasiums is 151, and of "Real" schools 28; while since 1883 the number of pupils has increased from 40,711 to 42,619, and 75 per cent. of this increase was in favour of the "Real" schools. The whole cost of the middle schools amounted to 393,600*l.* The former disproportionate preference for gymnasiums is disappearing, and the "Real" schools are coming more and more into favour. The number of middle schools in proportion to the population is one middle school to every 76,814 souls; in Austria the proportion is one middle school to every 87,800 souls. The larger towns possess, with few exceptions, a gymnasium and a "Real" or "Bürger" school. There are in Hungary eight towns with more than 35,000 inhabitants, and

they all possess one or more middle schools; while of those towns with 15,000 to 20,000 inhabitants, 84 per cent. are provided with middle or "Bürger" schools; of those with 10,000 to 15,000 inhabitants, 45 per cent. are so provided; and of those with 5,000 to 10,000 inhabitants, 29 per cent. There are six towns which have gymnasiums, but no "Bürger" or "Real" schools. The middle schools may be classified as follows, according to their character:—

	Gymnasiums.	"Real" Schools.
State schools	30	19
Under State direction—		
Roman Catholic	43	..
Communal	18	5
Private	4	..
Israelite	..	1
Under State supervision, but directed by the several confessions—		
Greek Orthodox	3	1
Lutheran	23	2
Calvinists	27	..
United Protestant	1	..
Unitarian	2	..
	151	28

15 Catholic and communal schools, as well as 6 Calvinist, 4 Lutheran, and 1 Unitarian school, receive subsidies from the State.

Attendance of pupils at middle schools.

The number of pupils attending the middle schools in 1887 was 42,619, of whom 35,803 attended the gymnasiums, and 6,816 the "Real" schools. The following table shows the average attendance during periods of three years at the two categories of middle schools.

Years.	Gymnasiums.	"Real" Schools.	Total.
1868–70	34,320	3,130	37,450
1871–73	28,640	6,500	35,140
1874–76	27,070	7,680	34,750
1877–79	31,320	5,740	37,060
1880–82	34,570	5,090	39,660
1883–85	35,640	5,400	41,040
1886–88	35,690	6,390	42,080

The report makes the following remarks on the above dates:— "A comparison of these dates show that the increase in the attendance at the 'Real' schools nearly always occurred at the cost of the gymnasiums, and vice versâ. At the commencement of the decade, 1870–80, the number of 'Real' schools increased; it was the period of industrial and commercial undertakings, and the establishment of 'Real' schools became necessary. The

attendance at the 'Real' schools reached its zenith in 1875, when 8,086 scholars were inscribed on their books. But in the next year, when the number of classes in the 'Real' schools was increased from six to eight, the number of scholars diminished by 889. This last-mentioned year was a critical one for the 'Real' schools. These latter institutions occupied the time of the students as much as the gymnasiums, and the universities were not open to their pupils. The 'Bürger' schools arose, which were easier to pass through than the 'Real' schools, and afforded the needful preparation for a commercial or industrial career. The 'Real' school fell into the background in presence of the gymnasium, and was not even able to compete with the 'Bürger' school. In the next year (1877) the retrogression was still more marked, and the number of pupils at the 'Real' schools was diminished by 1,219. This diminution continued, though not so rapidly, till 1882, when the number of pupils at the 'Real' schools was only 4,822, as compared with 8,086 in 1875; while the number of pupils at the gymnasiums had increased from 27,144 to 36,432. All branches of the legal career especially were overfilled, and the public were becoming more and more aware that the country had no need of so many lawyers. The intellectual proletariat was increasing in numbers, while there was a dearth of practical and technical capacities. The introduction of the middle schools has formed a turning point in the history of the 'Real' schools, and since then there has been a constant increase in the number of pupils, which it is hoped will be a progressive one as it becomes more generally known that the 'Real' schools are very different institutions from what they were formerly."

The subjoined data show the attendance at the gymnasiums and the "Real" school during the three years 1885, 1886, 1887:—

	1885.	1886.	1887.
	No. of pupils.	No. of pupils.	No. of pupils.
Gymnasiums	33,649	32,909	33,027
"Real" schools	4,918	5,038	6,306

The number of pupils, both in the gymnasiums and in the "Real" schools, who remain until they have reached the eighth and final class, is relatively small; it being estimated that out of every four pupils, who enter the two abovenamed institutions, only one reaches the eighth class. One of the reasons that so many pupils are unable to reach the higher classes of the middle schools is that boys enter from the elementary schools, both educationally and intellectually, unfit for the more advanced institutions. It may be mentioned that of all the confessions the Israelites have a far larger proportionate representation among the pupils of the middle schools than any of the others. Some data are also given

as to the social status of the parents of the pupils, from which it would appear that 17·7 per cent. were independent landed proprietors; 33·5 per cent. manufacturers, merchants, &c.; 19·6 per cent. state and communal officials; 7·5 per cent. private officials; 16·6 per cent. belonging to the intelligent classes (journalists, professors, &c.); and 5·1 per cent. belonging to the poorer classes. It is said that the number of children of landed proprietors attending the middle school is continually diminishing, as also those of the poorer classes. It is probable that the latter class prefer to send their children to a "Bürger" school, or place them in a trade. Social status of parents of middle school pupils.

In regard to extra subjects it is stated that in 74 gymnasiums French was taught: 1,404 pupils attending the classes as against 1,519 three years ago. The study of English does not appear to be very popular: only three gymnasiums and two "Real" schools giving instruction in it, and the number of pupils has fallen from 58 in 1885 to 32 in 1887; while Italian is only studied by 17 pupils. Shorthand writing is taught in 68 gymnasiums and 12 "Real" schools, and 1,679 pupils profited by this instruction. Extra drawing was taught in 82 gymnasiums and 7 "Real" schools. Modelling in two gymnasiums and one "Real" school. Extra singing in 129 gymnasiums and 16 "Real" schools. Music in 48 gymnasiums and 8 "Real" schools, and experimental chemistry in 9 "Real" schools. Extra subjects of instruction.

In regard to the cost of maintaining the middle schools, which amounts to 393,600*l.*, the report observes that the demands on the State Treasury are yearly becoming larger. This is partly to be ascribed to the larger subsidies granted to the confessional and communal schools, and partly to the larger expenditure on the State schools, in order to maintain them in a condition to serve as a model to the others. In 1887 the State spent 69,200*l.* on the middle schools, as against 49,700*l.* in 1882. In the latter year the State granted subsidies to the confessional schools to the amount of 65*l.*, while in 1887 these establishments received about 7,000*l.* from the Treasury. School fees brought in 49,500*l.*, or about 30*s.* per pupil. The school fees vary much according to the locality and to other circumstances. The highest average is 1*l.* 18*s.* for State schools, 30*s.* for Lutheran, 1*l.* 6*s.* for Calvinist, 17*s.* for Greek Orthodox, and 10*s.* for Unitarian schools. State subsidies and school fees.

The average salary for a professor is 110*l.*, but in several middle schools the salaries do not exceed 50*l.* to 60*l.*; but these cases are diminishing in number.

Within the category of high schools the report includes the two universities of Hungary (Buda-Pesth and Clausenburg), the theological and law academies, &c. In regard to the higher system of education the report remarks that it is difficult to take a systematic review, as there is no law regulating the high schools, and also because the branches of education with which they deal are so numerous and varied. High schools.

It is stated that the 8,196 Hungarian students, undergoing

Distribution of Hungarian students.

the higher system in Austria and Hungary, may be classified as follows:—

1. 1,997 students at theological institutions—of these 405 are preparing for teachers.
2. 2,653 law students.
3. 1,749 students of medicine.
4. 364 students of philosophy, mathematics, and natural sciences.
5. 616 students at the polytechnic (Buda-Pesth).
6. 13 students at the preparatory institution for teachers in "Bürger" schools.
7. 33 students at the model drawing school.
8. 193 students studying agriculture and veterinary science.
9. 373 students at the forest academy.
10. 52 students at the mines schools.
11. 11 students at the Oriental academy.
12. 50 students at the commercial academy.
13. 92 students at the military academy.

Law.

The report laments the preponderating number of law students, which is increasing. The cause is attributed to the general opinion throughout the country that law and politics offer the best and most brilliant openings to intelligent young men, and that sons of well-to-do people can only devote themselves to those careers with advantage. Moreover, this prejudice receives encouragement from the number of legal academies and lycées established in many provincial towns. The Government, it is said, are doing their best to mitigate the evil by diminishing the number of the abovenamed institutions, and in rendering more severe the qualifications demanded of students at those establishments.

Medicine.

The students of medicine do not increase in number, and there are not sufficient for the public wants. It is said that of the 1,749 students of medicine only 1,115 are studying at the Hungarian universities, the remainder receiving instruction at the Austrian universities; and it is probable that many of the latter remain in Austria.

Technical branches.

There is also a certain diminution in the number of student in the agricultural and technical branches. The report says "Having regard to the great practical importance which career in those branches have at the present time, and to the opportunities which they offer to capable and industrious men, the inadequate number of students is to be regretted. The opportunities which our society allows to slip by, in holding so pertinaciously to the prejudices and customs of earlier times, are naturally willingly seized upon by foreigners. . . . The often-expressed assertion that a more considerable portion of the new generation would devote themselves to a military career has remained hitherto a pious wish. In the past year (1887) indeed, leaving aside the pupils at the military institution where boys receive the first preparation for a military career, there is a diminution in the number of students at the military academy."

Buda-Pesth university.

The university of Buda-Pesth has four faculties:—1. Theology; 2. Law; 3. Medicine; 4. Philosophy. The number of students was for the winter term 3,679, and for the summer term 3,473. Classifying those of the winter term into confessions, it would appear that there were 1,556 Roman Catholics, 1,194 Israelites, 66 Greek Catholics, 99 Greek Orthodox, 423 Calvinists, 328 Lutherans, and 13 Unitarians. The net expenses of the university amounted to 50,080*l.*, to which the State contributed 32,870*l.*, and the university fund 17,210*l.*

Clausenburg university.

The university of Clausenburg has also four faculties:—1. Law; 2. Medicine; 3. Philosophy, philology, and history; 4. Mathematics and natural science. The number of students was for the winter term 535, and for the summer term 512. Classifying those of the winter term into confessions, it would appear that there were 235 Roman Catholics, 50 Greek Catholics, 18 Greek Orthodox, 128 Calvinists, 38 Lutherans, 33 Unitarians, and 32 Israelites. The net expenses of the university amounted to 18,150*l.*, which were entirely paid by the State.

Various establishments.

The university of Buda-Pesth has under its charge a seminary for pupils preparing for teachers in the middle schools. The Royal Josef Polytechnic at Buda-Pesth is an institution which deserves notice. It was established to give instruction in technical subjects, such as engineering, mechanics, chemistry, &c. There are 47 professors employed at this establishment, and the lectures were attended by 616 students. Instruction is also given at over 200 localities throughout the country to trade apprentices, and over 40,000 apprentices attended the courses in 1887. There is also an industrial middle school at Buda-Pesth attended by 121 students. Further, there are 22 commercial schools in the country, attended by about 2,000 students, besides several art and special schools at the capital.

I should have mentioned that boys educated privately have periodically to undergo examinations at the gymnasium to show that they are making the necessary progress. The majority of boys of the upper classes are educated at home, there being no public or private schools in Hungary similar to those existing in England.

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No. 144.

BELGIUM.

BRUSSELS.

Lord Vivian to the Marquis of Salisbury.

My Lord, *Brussels, September* 28, 1889.

I HAVE the honour to enclose an interesting Report by Mr. Gosselin, Secretary to this Legation, on the Progress of the Mining Industry of Belgium during the year 1887, based on official statistics which have lately been published by the Director of Belgian Mines.

I have, &c.
(Signed) VIVIAN.

Report on Belgian Mining Industry during the Year 1887.

A report has lately been published by Monsieur Harzé, civil engineer, and Director of Mines in the Ministry of Agriculture, Industry, and Public Works, on the Mines, Quarries, and Metallurgical Factories of Belgium, with their Steam Apparatus, for the year 1887, containing some official information on the mining industry of this country, which may be of interest in England.

Mining Divisions of Belgium.

For mining purposes, Belgium is divided into two districts, the first comprising Hainault, Brabant, East and West Flanders, with its administrative centre at Mons; the second comprising Liége, Namur, Luxemburg, Limburg, and Antwerp, with the city of Liége as its centre; the coal industry being practically confined to the province of Hainault in the first division, and to those of Namur and Liége in the second.

Output of coal, 1887

The following table shows the amount and value of the output of coal during 1887, the highest that has yet been attained in Belgium:—

Provinces.	Tons of Coal.	Currency.	Sterling.
		Francs.	£
Hainault	13,470,060	108,221,000	4,328,840
Namur	359,255	2,287,000	91,480
Liége	4,549,309	37,166,000	1,486,640
Totals.. ..	18,378,624	147,674,000	5,906,960

The output exceeded that of 1886 by over a million tons, while the increased value amounted to over 200,000*l.*

Continued decline in prices, and in number of mines worked.

The decline in the market value of coal continued, the mean price realised in 1887 being 8 fr. 4 cents. (about 6*s.* 5¼*d.*) per ton, or 21 cents. (about 2*d.*) less than in 1886.

The number of mines worked in 1887 amounted to 268; 12 less than in 1886; the steady decline in the number of mines worked, together with the increase in the total amount of coal extracted, indicates that the Belgian coalowners are endeavouring, as far as possible, to concentrate their mining operations and improve the output.

It should be noted that the foregoing table includes the coal employed in working the mines, amounting to over 1,620,000 tons of the worst quality of coal, or some 9 per cent. of the total output; the net total of coal extracted being 16,754,836 tons.

Steam power employed in coal mines.

There are, in all, 2,030 engines and other steam apparatus of a total horse-power of 122,181 employed in carrying on the coal-mining industry; ten years ago the number of these steam-engines amounted to 1,875, representing a horse-power of 106,927.

Average output of each miner.

The average output of each miner amounted in 1887 to 244 tons, being 15 tons more than in 1886, a result to be explained by the fact that there were a greater number of working days in 1887 than in the previous year (when the last great strike occurred in the black country), and by the diminution in the number of women, boys, and girls employed underground.

Number of hands employed in coal industry.

The number of workpeople employed in the coal mines in 1887 amounted to 100,739, being an increase of 457 on the return for 1886, and distributed as follows:—

	Hainault.	Namur.	Liége.	Total for whole Kingdom.
Underground:—				
Men	46,222	1,206	15,864	63,292
Women	3,010	22	169	3,201
Boys under 16 years of age	5,980	153	1,787	7,920
Girls under 16 years of age	1,011	..	21	1,032
Total	56,223	1,381	17,841	75,445
Above-ground:—				
Men	12,581	454	3,736	16,771
Women	2,683	78	1,001	3,762
Boys under 16 years of age	1,859	78	444	2,381
Girls under 16 years of age	1,976	34	370	2,380
Total	19,099	644	5,551	25,294
Grand total	75,322	2,025	23,392	100,739

Underground population of collieries.

The following table, showing a steady decrease in the number of children employed underground, testifies to the beneficial effect of the Mining Regulations of April 28, 1884, whereby boys under 12 and girls under 14 years of age are forbidden to work underground.

Number of Hands employed Underground in the Collieries.

	First Mining District. (Hainault.)				Second Mining District. (Liége and Namur.)				Total.			
	1883.	1885.	1886.	1887.	1883.	1885.	1886.	1887.	1883.	1885.	1886.	1887.
Men	45,852	45,551	46,043	46,222	17,978	17,786	16,868	17,070	63,830	63,337	62,911	63,292
Women	4,244	3,995	3,285	3,010	365	261	226	191	4,609	4,256	3,511	3,201
Boys under 16 years ..	7,568	6,534	6,145	5,980	2,046	1,955	1,943	1,940	9,614	8,489	8,048	7,920
Girls under 16 years ..	2,658	1,582	1,092	1,011	58	30	41	21	2,716	1,612	1,133	1,032
Total	60,322	57,662	56,565	56,223	20,447	20,032	19,078	19,222	80,769	77,694	75,603	75,445
Proportion per 1,000 workmen :—												
Men	760	790	814	822	879	888	884	888	790	815	832	839
Women	70	69	58	54	18	13	12	10	57	55	46	42
Boys under 16 years ..	126	113	109	106	100	98	102	101	119	109	107	105
Girls under 16 years ..	44	28	19	18	3	1	2	1	34	21	15	14
Total	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

From the above table it appears that the proportion of girls, women, and boys employed underground has fallen during the five years 1883-87 respectively 59, 38, and 10 per cent.

THE following Table gives a similar Return of the Number of Hands employed Aboveground in the Collieries.

	First Mining District. (Hainault.)				Second Mining District. (Liége and Namur.)				Total.			
	1883.	1885.	1886.	1887.	1883.	1885.	1886.	1887.	1883.	1885.	1886.	1887.
Men	12,333	12,543	12,237	12,581	4,432	4,161	4,144	4,190	16,765	16,704	16,381	16,771
Women	2,440	2,709	2,518	2,683	1,213	1,138	1,091	1,079	3,653	3,847	3,609	3,762
Boys under 16 years ..	1,990	2,113	1,926	1,859	557	496	509	522	2,547	2,609	2,435	2,381
Girls under 16 years ..	2,044	1,838	1,854	1,976	474	403	400	404	2,518	2,241	2,254	2,380
Total	18,807	19,203	18,535	19,099	6,676	6,198	6,144	6,195	25,483	25,401	24,679	25,294
Proportion per 1,000 Workmen :—												
Men	656	653	660	659	664	671	674	677	658	658	664	663
Women	129	141	136	141	182	184	178	174	143	151	146	149
Boys under 16 years ..	106	110	104	97	83	80	83	84	100	103	99	94
Girls under 16 years ..	109	96	100	103	71	65	65	65	99	88	91	94
Total	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

This table shows that the proportional number of girls, women, and boys employed above-ground (who are not affected by the Mining Regulations above referred to) has not sensibly varied, and is another proof of the direct influence of the Regulations on the composition of the underground staff.

The following table, which is of use in calculating the pensions of working miners, classes the underground and above-ground workers according to age:—

	Mons.	Centre.	Charleroi.	Namur.	Liege.	The Kingdom.
Aboveground:—						
Workmen under 50 years of age (men and boys)	87·32	77·55	82·21	89·72	82·05	82·92
Workmen from 50 to 55	4·92	7·37	7·50	4·38	7·89	6·75
,, ,, 55 ,, 60	3·41	6·30	4·73	2·47	5·17	4·68
,, over 60	4·35	8·78	5·56	3·43	5·09	5·65
Total	100·00	100·00	100·00	100·00	100·00	100·00
Underground:—						
Workmen under 50 years of age (men and boys)	89·50	93·11	92·55	95·47	91·14	91·50
Workmen from 50 to 55	5·34	4·15	4·32	3·22	4·81	4·68
,, ,, 55 ,, 60	3·02	1·66	2·07	1·10	2·72	2·41
,, over 60	2·14	1·08	1·06	0·21	1·33	1·41
Total...	100·00	100·00	100·00	100·00	100·00	100·00

It will be seen from the above table that the proportion of old hands is much less under than above-ground, which may partly be accounted for by the fact that a certain number of miners, as they get on in years, leave the first for the second class of work.

Amount of coal miners' wages.

The amount of wages paid to the miners in 1887 amounted to 3,284,000*l.* (82,100,000 fr.), which gives an average of about 32*l.* 12*s.* (815 fr.); about 1*l.* 5*s.* 7½*d.* (32 fr.) higher than in 1886.

The average pay for a day's work (men, women, boys, and girls, both under and above-ground) was 2 fr. 80 c. (about 2*s.* 3*d.*); 815 fr. at 2 fr. 80 c. per day equals 289 working days. The workmen above-ground receiving 2 fr. 21 c. (about 1*s.* 9*d.*); the underground miners, 2 fr. 99 c. (about 2*s.* 5*d.*).

Taking the daily wages earned by women, boys, and girls working underground to amount respectively to about 1*s.* 5½*d.* (1 fr. 80 c.), 1*s.* 2*d.* (1 fr. 45 c.), and 1*s.* (1 fr. 25 c.), the daily wage of a workman over 16 years of age should average about 2*s.* 7¾*d.* (3 fr. 26 c.); this average, however, being subject to reductions for non-working days. Assuming the working days to average 300 in number, the average pay of the workman over 16 does not really amount to more than about 2*s.* 6½*d.* (3 fr. 14 c.) a day.

Financial summary of collieries.

The ordinary working expenses of the coal mines amounted in 1887 to:—

	Fr.		£
Salaries (as stated above)	82,100,000	about	3,284,000
Other expenses (such as coal, wood, iron, cables, grease, powder, forage, &c., used in collieries, purchase of materials, machinery, horses, land taxes, and other general charges	56,833,000	„	2,273,320
Total	138,933,000	„	5,557,320

If from the total realised by the mines—

	Fr.		£
Which amounted in 1887 to	147,674,000	about	5,906,960
The expenditure is deducted	138,933,000	„	5,557,320
There remains a profit of	8,741,000	„	349,640

Which exceeds by some 3,600,000 fr., or 144,000*l.*, the balance obtained in 1886.

Ninety Belgian collieries were worked with profit, showing a general balance to the good of 10,829,000 fr. (about 433,160*l.*), while 50 collieries were worked at a loss, amounting in all to 2,088,000 fr. (about 83,520*l.*).

	£
Deducting from the profits realised on the workings of the 90 mines	433,160
The losses incurred by the 50	83,520
There remains, as stated above, a net profit on the year's workings of	349,640

Coke.

The amount of coke made in 1887 amounted to 1,902,879 tons, an increase of about 50,000 tons over the returns of 1886; 2,265 hands were employed in this industry.

Tin, lead, iron, and zinc mines.

The production of all the other Belgian mines (tin, lead, iron, and zinc) shows a serious falling-off during the last decennial period.

	1878.	1887.
	Tons.	Tons.
Zinc mines	45,293	20,879
Lead mines	13,477	548
Iron pyrites	21,721	3,490
Washed iron	207,157	185,186

Quarries.

The total value obtained from the working of the Belgian quarries in 1887 amounted to 33,213,000 fr. (about 1,328,520*l.*), an increase of about 36,000*l.* over the amount realised in the previous year.

Average daily wages of workpeople employed in metallurgical works.

The following table shows the number of hands, and the average daily wages earned in the various foundries and metallurgical works in Belgium:—

Foundries and Metallurgical Works.	Number of hands employed.	Average daily wages in Belgian currency.	Approximate equivalent in English money.
		Fr. c.	*s.* *d.*
Iron smelting works ("Hauts-fourneaux")	2,519	2 67	2 1¾
Iron manufacturing works (rails, plates, &c.)	16,066	2 97	2 4¾
Steel works	2,582	3 35	2 8½
Zinc works	3,676	3 16	2 6½
Lead and silver works	419	2 71	2 2

Accidents in mines and metallurgical works in 1887.

The mining engineers reported 198 accidents as having occurred in 1887 in the mines, quarries, and metallurgical works in Belgium, by which 303 people were killed, and 80 seriously wounded.

The accidents are classed as follows :—

	Accidents.	Killed.	Wounded.
Coal mines	177	286	61
Other mines	4	2	2
Subterranean quarries	4	1	5
Metallurgical works	13	14	12
Total	198	303	80

The large number of victims in the coal mines is to be accounted for by two serious explosions of fire-damp, which occasioned the deaths of no less than 35 and 113 workpeople respectively. The population employed above and below ground in the collieries amounting to 100,739 hands, the proportion of workmen killed is 2·84 per 1,000; in 1886, the returns showed 1·33; and, in 1885, the returns showed 1·82.

The following table gives further details respecting the nature of the accidents in coal mines :—

Nature of Accidents.	Numbers		
	Accidents.	Killed.	Wounded.
Underground accidents:—			
Accidents in shafts giving access to mines ..	28	23	8
„ „ interior shafts, &c., and galleries (exclusive of fire-damp, suffocation, and floodings)	6	5	1
Fall of stone-coal in galleries, &c.	76	65	16
Fire-damp	4	150	15
Accidents caused by use of explosives ..	12	5	7
„ „ transport and underground circulation of workpeople	30	24	7
Various causes	9	4	5
Total of underground accidents	165	276	59
Aboveground accidents:—			
Working trucks, &c.	2	2	..
Accidents connected with engines and mechanical apparatus	5	3	2
Various causes	5	5	..
Total of above-ground accidents.. ..	12	10	2
General totals (above and below ground together)	177	286	61

Summary of account of Miners' Provident Societies.

The Report concludes by publishing a summary of the accounts of the six General Miners' Provident Societies for 1887, as given in the following table:—

RECEIPTS.

	Fr.	c.
Drawback on workmen's wages	250,268	53
Share paid by administration of mines	1,155,470	88
Subvention from the State	44,558	71
„ „ province	9,800	00
Other receipts	305,421	61
Total	1,765,519	73

Equal to about 70,620*l.*

EXPENDITURE.

	Fr.	c.
Pensions	1,382,011	98
Assistance	511,029	70
Succession duties	7,176	00
Cost of administration	47,563	08
Total	1,947,780	76

Equal to about 77,911*l.*; showing an excess of expenditure over revenue of nearly 7,300*l.*

The private benevolent societies received nearly 1,500,000 fr. (60,000*l.*), and expended over 500*l.* more than their receipts.

MARTIN GOSSELIN.

British Legation, Brussels, September 28, 1889.

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FOREIGN OFFICE.

1889.

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BORNEO.

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Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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BORNEO.

BRUNEI.

Notes by Acting-Consul General Hamilton on a Visit to Sarawak.

I LEFT the island of Labuan for Sarawak on August 23 in one of the Rajah's steamers, and, after calling for a short time off Bintulu and Muka, arrived at Kuching on the 25th.

On the two following days I was invited to witness a meeting of the General Council, which meet every three years. This council is composed of nearly all the chiefs of any standing in Sarawak, who on this occasion attended to the number of over 30. All the Europeans who were members of council were also present. The meeting might be said to partake more of the nature of a levée than a council, for, as the Rajah explained in his address, it is held more for the sake of bringing those together who would be called on to meet on an emergency. The first meeting was devoted to swearing in new members, and on the second occasion the Rajah addressed the council at some length on matters of interest to the country. I enclose an extract from the "Sarawak Gazette," containing an account of the proceedings. General Council.

During my stay at Kuching I visited all the public buildings and institutions connected with the place. These are all well and substantially built of brick and hard woods of various kinds. Water has been laid on to the town from a reservoir which has been made at considerable expense; and a museum, estimated I believe to cost 12,000 dol., is in course of construction. The roads of late years have been greatly extended and are very well kept. The permanently enrolled military force consists of the rangers or fortmen, as they are generally called. These are all Dyaks, and number some 300, armed with breech-loading rifles. About half this number occupy the fort at Kuching, the remainder being distributed amongst the outlying stations, being periodically relieved from headquarters. These rangers are commanded by a retired army officer, with a sergeant pensioned from the Royal Marine Artillery to assist. The guns in the fort Public buildings. Military force.

are mounted on platforms, and much spirit and readiness was shown by the men in working them. I was also present at a parade of the rangers, who, with the band in attendance, looked remarkably well, and went through some manœuvres very creditably.

Police schools. There is in addition a police force, numbering about 50, who look after the peace of the town. I visited the mission schools, which are under the superintendence of the Bishop of Singapore, and Sarawak, who resides for part of the year at Kuching.

Pepper. Great progress has of late years been made in the cultivation of pepper, and I visited some of the pepper gardens in the vicinity; these are owned by Chinese. The vines require much care and plenty of manure for the first three years, and are allowed to grow to a height of ten feet. Two crops are procured in the year. In the plantation I visited there were 7,000 vines, and each plant is valued at 3 dol., making the estate worth some 21,000 dol. The services of 20 coolies were required to work this garden. As a proof of the extent to which pepper cultivation is being carried out, it is estimated that the total export of pepper from Sarawak for this year will amount nearly to 1,000 tons.

Tobacco. Early on September 2 I left Kuching in the steamer "Lorna Doone" to visit the Government tobacco plantation on the Lundu river, and anchored off the village of Lundu the same evening. There is an European officer stationed here. The following morning I inspected the tobacco fields, of which about 80 are in cultivation, each field consisting of $1\frac{1}{2}$ acres. Tobacco was being cut at the time of my visit, and last year's crop, which amounted to 11 tons, was being packed in readiness for shipment. Mr. Gibson, the manager, who has had experience in Sumatra and elsewhere, stated that he had little or no trouble with the coolies, of whom he employs about 250. Last year's crop suffered much from drought, but this year's crop promises to be much larger and of better quality. After cutting, the leaves take three weeks to dry, but the fermentation process occupies four to five months, after which the tobacco is fit for packing and export.

This plantation is worked entirely by the Government, with a view to ascertaining whether it will pay to plant tobacco in the country or otherwise; and the result of this experiment, which will be known before long, will be of some interest.

Coal mines at Sadong. I left Lundu the same evening, and at daylight the following morning arrived off the Sadong river, up which I proceeded with a view to inspecting the Government coal mines at Sadong. The mines are situated 15 miles up the river, on the side of a hill, the coal being worked by means of levels running through the hill. The daily output at present is 30 tons, which does not seem a large amount; but, on the other hand, the working expenses are very small, there being only one European employed to superintend the native labour, and the system of working dispenses with the need of much machinery. The output apparently is quite sufficient for the requirements of the Government, and the surplus meets with a ready sale at Singapore. The Government district officer resides within three miles of the mines.

After leaving Sadong I proceeded up the coast to the Rejang river, off which we arrived early on September 6. The Rejang is the largest river in Sarawak, and navigable for vessels of a moderate size for upwards of 160 miles. Sibu, situated 60 miles from the mouth, is a place of some importance, and there are four European officers stationed here. The population of Sibu is nearly 4,000, and the people living on the river and its tributaries are estimated at 100,000, and to be steadily increasing; the majority of these are Dyaks. Rejang river. Sibu.

From Sibu I proceeded up the river to Kapit, distant 90 miles, being as far as the steamer could go with safety. Kapit.

There is a Government fort at Kapit, and a good bazaar, the shops being kept by Chinese, who, I am informed, do an excellent business with the Dyaks, who come down to the station in large numbers. There are also two smaller stations between Sibu and Kapit, at one of which, "Kanowit," the Roman Catholic Mission have erected a schoolhouse and chapel, but with what success it is too early yet to judge. Missions.

The revenue derived from the Rejang river for last year exceeded the total expenditure by 13,000 dol., and this sum did not include certain duties payable on exports from the river, which, for convenience, are collected at Kuching, the port of destination. The trade is carried on by small schooners, and an occasional trip of one of the Rajah's steamers. Timber is also shipped direct to Hong Kong by sailing vessels. This river runs remarkably straight, being different in this respect from most of the Borneo rivers. I can find no record of any English man-of-war having visited it for many years, and although no survey of the river exists I do not see anything to prevent a gunboat proceeding as far as Kapit, 150 miles from the mouth. Revenue.

I returned to Sibu on September 7, and the same night, there being a good moon, started at 10 P.M. down another branch, and arrived at the Egan mouth of the river at 5 A.M. the following morning, from whence I proceeded to Muka, situated on the sea coast, and one of the great sago depôts of Sarawak. There are two Government officers here residing in a well kept "Fort," as the Government stations are termed. The population of Muka numbers 8,000, and everyone is engaged more or less in the preparation of sago. These persons are Milanos. The population residing about the Muka river is said to be 20,000. Some idea of the trade done in sago from Muka and the adjacent village of Oya may be judged from the following statistics:— Muka. Sago.

Years.	Raw Sago Exported in Tons.	Value.	Duty Paid.
		Dollars.	Dollars.
1884	9,995	112,440	14,992
1885	10,197	114,720	15,296
1886	13,667	153,750	20,500
1887	12,869	144,780	19,304
1888	11,045	124,260	16,568

Revenue of Muka.

I was also informed that the revenue of the district for 1888 (which does not include the above duty, which is collected at Kuching, the port of destination) amounted to 13,620 dol., and the expenditure to 12,590 dol., which seems, financially speaking, a prosperous state of affairs.

Lighthouses.

I sailed from Muka in the afternoon of the 8th, and arrived at Labuan at 4 P.M. on September 9. I observed four lighthouses at various places between Labuan and Kuching, all of which are maintained by the Sarawak Government. These are exclusive of a small light at Muka, which is shown for only nine months out of the 12. The value of these lights to the coasting craft, which, as a rule, hug the land, cannot be overestimated.

Accommodation for vessels.

One drawback exists, viz., that between Cape Datu, on the south, and Baram Point, on the north, covering a coast line of nearly 400 miles, although there are numerous rivers—yet only two, the Kuching river and the Rejang, possess enough water at the bars to admit vessels drawing 18 feet, and even then it is a question of tide. The Baram river is a fine stream, up which I proceeded some months ago in a small steamer for a distance of 140 miles; and although the vessel only drew six feet we had some difficulty in getting over the bar at the mouth, and had there been any sea on it would have been quite impracticable. The Sarawak Government have done their best to meet this difficulty by procuring a paddle steamer of very light draught.

Revenue of Sarawak.

The total revenue of Sarawak for 1888 amounted to 361,615 dol., and the expenditure to 341,482 dol., leaving a surplus of 20,133 dol.

Rajah Brooke's administration.

Great care has apparently been taken by Rajah Brooke in the selection of the officers serving under him, and when the wild nature of many of the tribes who inhabit this country is considered, it follows that the men who govern them should be gentlemen in the truest sense of the word. The life many of these officers lead in the up county stations, although not hard, must in some cases be monotonous, and promotion is obviously slow from the limited number of appointments of a higher grade; nevertheless a strong "esprit de corps" apparently prevails, and this I consider one of the best signs possible.

It only remains for me to add that by the kindness of the Rajah in placing the steamer "Lorna Doone" at my disposal, I was enabled to see much that was of interest in a comparatively short time. I was accompanied throughout the trip by Mr. A. H. Everett, the Consul at Labuan, for Sarawak, and for a part of the trip by Mr. Bampfylde, resident of the Rejang district, and I am much indebted to both these gentlemen for the assistance so readily given to me by them on all occasions.

Labuan, October 10, 1880.

Extract from the "Sarawak Gazette."

General Council.

The General Council was convened on August 26, 1889, when H.H. the Rajah briefly addressed the members, and said that it was three years since they had met, the present occasion being the ninth time the General Council had been assembled, and that its existence dated back 22 years. His Highness added that it was the form of Government which was necessary to be kept intact, and then the members of the council were ready to be called together on the occurrence of any emergency, in addition to the periodical meetings. It might be thought, he knew, and it might be said, that such meetings were almost useless, as so few matters were discussed; but he was not of that opinion. He thought that if they failed to meet periodically, they would soon forget each other. It was His Highness's view that each member, both those from the distant and near parts, both those on the coast and in the interior of the territory, might be said to bring a rope to him, as well as a head, and that the many ropes when thus bound together formed the strength of the Government, instead of relying on two or three only; if they only met with their mouths shut it was better than not meeting at all.

In conclusion, His Highness said that this meeting would be devoted to swearing in the new members, and that the next day at the same hour—9.30 A.M.—the members would meet again, when he would endeavour to make a few statements regarding the occurrence of events during the past three years.

The native members present numbered 33, and the European members 12.

The meeting then broke up.

Second Day.

The General Council again assembled in the hall at the Astana, His Excellency the Acting Governor of Labuan being present. His Highness the Rajah again addressed the Council, and said that with regard to the question of the abolition of slavery, which had been postponed at the last meeting of the General Council, he wished to do the same on the present occasion, as he thought it would be safer to allow it to pend than to push it through. He knew that those who were located within 200 miles of Kuching understood the wisdom and almost the advisability of the measure, but he thought those who resided in more distant parts, as well as those in the vicinity of Brunei, might take it badly; that this might cause difficulties, and undo much good that had already been done. He was satisfied that slavery was almost extinct in the countries around Kuching, and would shortly die completely out of itself.

Slavery.

His Highness, in the second place, said he wished to explain a few matters that had been done by the Government. In the first place that an agreement had been concluded with Her Majesty's

Government, in order that this country should receive protection from foreign Powers, at the same time maintaining its entire independence in every other respect, and His Highness hoped this measure would be a boon to both parties.

In the third place that he had accepted the proposal to receive certain people, twenty-two in number, who were to be sent here from the Seychelles; they were prisoners there, but in this country would be free; they would receive an allowance from the Government of Perak, to which place they originally had belonged.

Indian emigrants.

In the fourth place that he had applied to His Excellency the Governor of Singapore that Sarawak be allowed to be included among the countries which had the privilege of importing Indian emigrants, who were required so much for certain plantations, especially that of tea; but His Highness said that as yet he had not received a definite reply.

Coal.

In the fifth place that he had purchased the rights over the Muara coalfields, and a portion of territory which he considered advantageous, both on account of the importance of having coal, and of the desirability of the position, namely, its proximity to the mouth of the Brunei river.

Tobacco.

In the sixth place that he was trying plantations of tobacco, coffee, and tea, which would, he hoped, prove successful before the end of next year, and be an inducement to many to follow this example; that at any rate people would gain experience from the experiments now being made by the Government.

Trade generally.

Pepper.

Sago.

His Highness, in the seventh place, said he would give a few statistics respecting trade, which, he was glad to say, increased steadily from year to year. Pepper had increased since 1886 by 131,000 dol.; and the total export this year would be about 16,000 pikuls. Sago was, and always had been, the staple export, there having been exported last year 140,000 pikuls, valued at 318,000 dols. Both pepper and sago would show a further increase this year. 80,000 pikuls of rattans had been exported last year, valued at 235,000 dol. Thus there was a gradual increase in the capital (mudal) of the country, which, being constant, could be relied on. He considered, he said, the produce of the soil to be the mudal of the country: cultivated products however more so than jungle produce, which, after a few years, might become exhausted. It was therefore requisite to plant in order to supply that deficiency, and that planting His Highness could affirm was taking place. He cautioned them against being too sanguine about the continuance of high prices, as there were ups and downs in this as well as in other things.

Minerals.

Minerals, too, he said, showed a falling-off, though it was impossible to say when they might come across fresh veins of antimony and cinnabar, which doubtless existed somewhere underground.

His Highness, in the eight place, said he hoped a dangerous plot had been extinguished, in the shape of a Chinese secret society which had been dealt with only this month, and he considered it requisite to act in some way with the Netherlands Government in the Kapuas for the purpose of mutually assisting

each other in watching and keeping down these associations in future. He said it was like sitting on a barrel of gunpowder here or elsewhere so long as they existed, to which all in Kuching who were older than forty summers could testify.

There was one other point His Highness said he would touch upon, but that he was fully aware it was beyond his jurisdiction, and that he had no right to interfere in other people's affairs, yet the people there was so nearly related to those here, and many who formerly belonged to that country were now sitting round this table and belonged to the General Council of Sarawak. He further said he looked on that country not only as a neighbour but also as a brother to Sarawak. It was Brunei to which he alluded, and he would always bear towards it a friendly spirit, much wishing to give some of the countries in its vicinity the same peace, security, and liberty of action which was now enjoyed in Baram, Trusan, and other parts lately annexed and paid for by Sarawak. He alluded in particular to the two rivers of Limbang and Tutong, whose inhabitants had repeatedly applied to be put under the Sarawak Government. He said he had failed in arriving at any successful issue with the Sultan, who seemed to distrust Sarawak; and it was with regret that His Highness found large tracts of land were being sold, the only result in the future he could see being mischief and confusion. The promises made to him within the last two months by some of H.H. the Sultan's Ministers had now been entirely broken. He deprecated it much, but said he could not see any way to remedy such evils himself.

His Highness concluded by saying he had been extremely glad to see all the members, whose fidelity and good sense he thoroughly trusted. All were invited to a banquet to be held on the 29th.

The ninth meeting of the General Council then broke up.

REGINALD AWDRY,

Clerk to the General Council.

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BRAZIL.

RIO DE JANEIRO.

Mr. Wyndham to the Marquis of Salisbury.

My Lord, *Rio de Janeiro, January* 27, 1890.

I HAVE the honour to enclose herewith the text of the Decree mentioned in Senhor Ruy Barbosa's report, together with a translation by Mr. Nicolini, on Limited Liability Companies. I beg to call your Lordship's attention in particular to Article 1, paragraph 2, which provides that foreign companies must realise two-thirds of their capital in the country within two years from the date of receiving authorisation to carry on operations; and to Article 33, which orders existing foreign companies to comply with the provisions of Article 1 within six months from the publication of this Decree.

I have, &c.
(Signed) HUGH WYNDHAM.

(Translation.)

Decree No. 164 *of January* 17, 1890, *Reforming the Law No.* 3050 *of November* 4, 1882.

MARSHAL MANOEL DEODORO DA FONSECA, Chief of the Provisional Government, constituted by the Army and Navy in the name of the Nation:

DECREES:

Art. 1. Limited liability companies or associations, whose aim is either civil or commercial, can be established without the authorisation of the Government.

Both are governed by this Decree.

Par. 1. The following, however, for the purpose of organisation, depend on the Government's authorisation:—

(1.) Banks of emission.

(2.) Real estate and mortgage banks.

(3.) Relief institutions, pledging or charitable establishments, savings banks, and mutual insurance companies.

(4.) Limited liability companies, whose object is trading in or supplying alimentary goods or substances.

Par. 2. Foreign limited liability companies, for the purpose of transacting business in the Republic, also continue to depend on the authorisation of the Government, and in respect to these the following is to be observed:—

(1.) The statutes shall declare the maximum period, never exceeding two years, reckoning from the date of authorisation, within which the association or company shall realise at least two-thirds of its capital in the country.

(2.) Such companies or associations are subject to the provisions of the present Decree as regards the relations, rights, and obligations existing between them and their creditors, shareholders, or other interested parties who may be domiciled in Brazil, although absent.

(3.) The authorisation being obtained, these companies shall comply, under penalty of recision, with the dispositions of art. 3, pars. 4, 1, and 3, and par. 5 of this Decree.

Art. 2. Limited liability companies or associations shall be specified by a particular denomination, or by the indication of their object.

The specification or denomination must be different from that of any other association. Should it be identical, or similar, so as to cause errors and mistakes, the right pertains to any interested parties to cause the modification of same, and to demand compensation for losses and damages resulting from the identity or similarity.

Par. 1. They are not allowed to have a social firm or social denomination.

Par. 2. The shareholders are only responsible for the amount of capital of the shares subscribed for, or which may be ceded to them.

Par. 3. Questions relative to the existence of companies, to the rights and obligations of the shareholders between themselves, or between them and the association, to the dissolution, liquidation, and division, are of the exclusive competency of the commercial courts.

Art. 3. Limited liability companies cannot be finally constituted until after the whole of the social capital has been subscribed, and the tenth part in cash of the value of each share actually deposited in a bank, or in the hands of a trustworthy person, at the choice of the majority of the subscribers.

For the formation of a limited liability company the concurrence of at least seven members is essential.

Par. 1. Limited liability associations or companies are constituted :—

(1.) Either by public deed, signed by all the subscribers, which shall contain :—

(*a*) A declaration of the desire to form the company.

(*b*) The rules or statutes by which it will be governed.

(*c*) A copy of the document proving the deposit of the tenth part of the social capital.

2. Or by the deliberation of the general assembly, taken in conformity with art. 15, par. 4. The statutes, previously signed by all the subscribers, being presented and read, and the document of the deposit of the tenth part of the capital being exhibited.

Par. 2. The instalments or entries which do not consist in cash, but in estate, goods, or rights, shall only be received at the value for which they may be estimated by three appraisers nominated by the general assembly of shareholders at the first meeting.

A limited liability company shall not be considered legally constituted, except after the said valuation has been approved of by the general assembly.

In cases of fraud or considerable loss the appraisers shall be responsible for the losses and prejudices resulting therefrom.

Par. 3. After the constitution of the company, it is lawful to establish in favour of the founders or third parties, who have contributed with their services towards the formation of the company, any advantages consisting of a portion of the net profits.

Par. 4. Limited liability companies, legally constituted, cannot enter into operations and validly carry out any measures, except after having archived at the Board of Commerce, and where such does not exist, at the mortgage registry office of the district :—

(1.) The contract and statutes of the company.

(2.) The nominal list of the subscribers, indicating the number of shares and paid up instalments of each of them.

(3.) The certificate of the deposit of the tenth part of the capital.

(4.) The minute of the installation of the general assembly, and nomination of the directors.

Par. 5. Previous to the companies commencing operations, the provisions of the preceding paragraph being observed, the statutes or deed of social contract, bearing a declaration of the date when they were archived, and the names, professions, and domiciles of the directors, shall be published in the papers of the district, or of the nearest place, and reproduced in the capital, in the official gazette, and in the provinces in the paper which publishes the Government's Acts.

A copy of the paper in which such insertions, and those treated of in art. 6, are published shall be archived at the mortgage registry office of the district of the seat of the company, it being free to all persons to read same and obtain copies, paying the respective fees.

Art. 4. No contracts or transactions shall be effected on account of the company, except after same being constituted in accordance with the provisions determined in the preceding article, and the formalities of pars. 4 and 5 in the same article being complied with.

Art. 5. All acts previous to the legal constitution of the company, and to the fulfilment of the formalities of pars. 4 and 5 of art. 3, shall fall under the responsibility of its founders or directors, except if, after the company is constituted, the general assembly assumes the responsibility of such acts.

The founders are jointly responsible to the interested parties for losses and damages resulting from non-observance of the prescriptions of this law, referring to the conditions and constitution of companies (arts. 2 and 3).

Art. 6. The undermentioned acts are subject to the publication mentioned in art. 3, pars. 4 and 5, under penalty of being invalid against third parties, viz., acts referring to:—

(1.) Alteration of the statutes.

(2.) Increase of the capital.

The social capital cannot be increased except in cases of insufficiency of the capital subscribed, augmentation of works, or aggrandisement of services or social operations.

(3.) The continuation of the company after the expiration of its term.

(4.) The dissolution before the expiration of its term.

(5.) The manner of liquidation.

The failing of registration and publicity cannot be adduced by the company or by the shareholders against third parties.

Sole par. A limited liability company or association which may have been constituted without the requirements and formalities mentioned in art. 3, pars. 1 and 2, is fully and legally considered nul and void.

Art. 7. The social capital shall be divided into shares, which may be sub-divided into equal fractions, and these, when reunited in a number equivalent to a share, confer the same rights as a share.

Par. 1. Shares shall be nominal up to their entire payment, on the realisation of which they can be converted into titles to the bearer by means of endorsement, as may be stipulated in the statutes.

Par. 2. Shares cannot be negotiated previous to one-fifth of their value being realised.

(1.) Nevertheless, even when negotiated, the responsibility of the ceding party continues to exist, should the company become insolvent through culpability or losses occurring during the period in which he was a shareholder; the right of indemnification, however, being assured to him against the grantee with whom he transacted, and the ultimate grantees, who are all jointly bound.

(2.) The responsibility of the ceding party ceases directly the general assembly of the company approves the annual accounts.

Par. 3. A register book for entering and closing accounts, numbered, rubricated, and stamped in accordance with the provisions of art. 13 of the Commercial Code shall be kept at the head office of companies, for the purpose of entering therein.

(1.) The name of each shareholder, with the indication of the number of his shares.

(2.) A declaration of the instalments of capital realised.

(3.) The transfer of shares, with the respective date, signed by the ceding party and grantee, or by their lawful attornies.

(4.) The conversion of shares into titles to bearer.

Par. 4. The pledging of nominal shares shall be constituted by a declaration on the deed of transference, and that of shares to bearer, and of those transferable by endorsement, in accordance with the form established by arts. 271 and 272 of the Commercial Code.

The fact of pledging does not suspend the exercise of the rights of the shareholder.

Art. 8. All shares are undividable with reference to the association. Whenever any one of these titles pertains to sundry parties, the association shall suspend the exercise of the rights inherent to such titles as long as one person has not been pointed out as the only owner.

Art. 9. Limited liability associations or companies shall be administered by temporary mandatories, revocable and re-eligible, members or non-members, salaried or gratuitous; each mandate not to exceed the period of six years.

The directors, should no other provisions be stipulated in the statutes or social contract, may nominate agents for the purpose of assisting them in the daily management of the company's affairs, but for whose acts they will, in all cases, be responsible.

Art. 10. The numbers, retribution, nomination, duration, dismissal, substitution and attributions of the directors of the association shall be fixed in the statutes or social contract.

Par. 1. Except contrary dispositions be contained in the statutes, the following shall be observed :—

(1.) In cases of vacancy of the post of director, the directors and fiscals in office shall be selected as provisionary substitutes, it pertaining to the general assembly to finally nominate same at the first following meeting.

(2.) Directors are considered to be invested with powers to transact all administrative acts relative to the ends and object of the association, as well as to represent same actively and passively in court.

Unless expressly mentioned in the statutes the directors cannot :—

(*a*) Transact, renounce rights, mortgage or pledge the company's property.

(*b*) Contract obligations and alienate property and rights, except if such acts are included in the operations which are the object of the company.

Par. 2. Directors do not contract personal, individual, or joint

obligations in the contracts or operations they may realise in the exercise of their mandate.

Par. 3. Before entering into office the directors are bound to guarantee the responsibility of their management with the number of shares which may be fixed in the statutes.

Such guarantee shall be made by a certificate in the book of registration, the shares being, if same are to bearer, deposited in the coffers of the association or in the hands of a person named by the general assembly.

Such guarantee may be afforded on behalf of a director by any shareholder.

Par. 4. The percentage which may be due to directors, founders, or any other employés of the company, shall be withdrawn from the net profits, after the share destined to form the reserve fund has been deducted.

Art. 11. Directors are responsible:—

(*a*) To the association for negligence, errors, or fraud, committed by them during the discharge of their mandate.

(*b*) To the association and third parties prejudiced by their exceeding their mandate.

(*c*) To the association and third parties totally prejudiced by infraction of the present Decree and statutes.

Sole par. Shareholders have always the right of a competent action to recover from the directors for losses and damages resulting from the violation of this Decree and the statutes.

Said action can be brought jointly by two or more shareholders, but cannot, however, refer to acts and operations already decided by general assemblies.

Art. 12. A director whose interests may be opposed to those of the company in any social transaction, cannot take part in the deliberation respecting same, and shall be bound to give necessary notice to the other directors, a declaration of same being entered in the minutes of the session.

In such cases the deliberation shall be taken by the other directors and fiscals, in accordance with the majority of the votes.

Art. 13. Directors who, in the want of an inventory, or notwithstanding an inventory, or who by means of a fraudulent inventory, distribute undue dividends, are personally bound to return to the social coffers the amount of said dividends, and besides this are subject to the criminal penalties which they incur.

Sole par. Only the net profits resulting from operations actually concluded during the half year, can form the dividends of limited liability companies.

Art. 14. The general assembly shall annually nominate three or more deputy fiscals, either members or not, charged with giving an opinion respecting the business and operations of the following year, having for basis the balance sheet, inventory, and accounts of the administration.

Par. 1. The deliberation of the general assembly approving the accounts and balance sheet will be null if it has not been preceded by the report of the fiscals.

Par. 2. Should the fiscals not be nominated, nor accept the office, or be impeded, it pertains to the President of the Board of Commerce, and where such does not exist, to the judge of commerce of the district to nominate, on the application of any of the directors, those who will substitute them or serve during their impediment.

Par. 3. During the quarter preceding the ordinary meeting of the general assembly, the fiscals have the right to examine the books, verify the state of the cash and portfolio, exact information from the directors regarding the social transactions, and extraordinarily convene the general assembly.

Par. 4. The effects of the fiscals responsibility towards the association shall be determined by the rules of the mandate.

Art. 15. Every year a general assembly of the shareholders shall be held, the meeting of which shall be fixed in the statutes, and always advertised in the press 15 days previously.

Par. 1. At this meeting the report of the fiscals shall be read, and the balance sheet, accounts, and inventory, presented, discussed, and approved.

Par. 2. The general assembly shall be composed of a number of shareholders representing at least a quarter of the social capital.

Par. 3. Should this number not meet, another assembly shall be convened by means of publication in the papers, declaring in same papers that deliberations will be taken whatever may be the amount of capital represented by the shareholders present.

Par. 4. Nevertheless, a general assemby which has to deliberate on the cases mentioned in arts. 3 and 6 requires, to validly constitute same, a number of shareholders representing at least two-thirds of the social capital.

Should neither at the first or at the second meeting the number of shareholders exacted by this paragraph attend, a third shall be convened, with a declaration that the assembly can deliberate whatever may be the amount of capital represented by those present. Besides advertisements, the convening in this case shall be made by letter.

Deliberations of the general assembly in the case of this paragraph, as in that of par. 2, shall be adopted in accordance with the majority of the numbers present.

Par. 5. Sufficient motive shall always be given for the extraordinary calling of the general assembly.

Par. 6. The statutes shall determine the order to be observed at the meetings of the general assembly, the minimum number of shares necessary to shareholders for the purpose of being allowed to vote at the general assembly, and the number of votes pertaining to each shareholder in accordance with the number of shares they may possess.

Par. 7. All shareholders, even not having the right to vote on account of not possessing the number of shares exacted by the statutes, are allowed to attend the meeting of the general assembly, and discuss the matter under deliberation.

Par. 8. For the election of directors or employés of the association, as well as for deliberation of any kind, voting by special power of attorney will be allowed, as long as such powers are not conferred on directors and fiscals, and that the attornies are shareholders.

Par. 9. Any shareholders in a number of not less than seven, and representing at least a fifth of the company's capital, can petition the extraordinary convocation of the general assembly.

In the petition addressed to the administration of the association, the reason shall be declared, and same cannot treat of matters, acts, and accounts already taken into consideration, and decided by a general assembly.

(1.) Observing this restriction, the convocation can be effected by the petitioners themselves, should the administration not realise same within the period of eight days.

(2.) Should the meeting of the ordinary general assembly be delayed for more than three months beyond the period stipulated in the statutes, any shareholder can exact from the administration the holding of same, and not being attended to, shall have the right to make the convocation himself, declaring this circumstance by respective advertisements.

(3.) The ordinary general meetings cannot be held with less than three shareholders, authorised to form them, besides the directors and fiscals, under penalty of the resolutions adopted being null and void.

Par. 10. At the general assembly the directors cannot vote for the approval of their balances, accounts, and inventories, neither can the fiscals vote for their reports, nor the shareholders for the valuation of their shares, or any benefits stipulated in the statutes or social contract.

Art. 16. One month previous to the date fixed for the meeting of the ordinary general assembly, the directors of the association shall give notice that at the place where the association has its seat, the following documents exist at the disposal of the shareholders : —

(*a*) Copy of the balance sheet, containing a statement of movable and immovable values, as well as of all active and passive debts.

(*b*) Copy of the list of names of shareholders with the number of their respective shares, and the state of payment of same.

(*c*) Copy of the numerical record of the transference of shares made during the course of the year.

Par. 1. The report of the association shall, at the latest, up to the eve of the session of the general assembly, be published in the press, with balance sheet and the statement of the fiscal commission.

Par. 2. Thirty days, at the most, after the meeting, the minutes of the general assembly shall be published in the press.

Art. 17. Limited liability associations or companies are dissolved :—

(1.) By consent of all the shareholders.
(2.) By resolution of the general meeting (art. 15, par. 4).
(3.) Through insolvency, or suspension of payments.
(4.) In consequence of expiration of its term.
(5.) By diminution of the number of shareholders to less than seven. In this case the association is only understood to be dissolved, if, during the period of six months, the legal number is not completed.

The directors or shareholders will be entirely responsible for the acts which the company may carry out after the number of shareholders is reduced to less than seven, if within the said period of six months the legal number is not filled up.

(6.) By demonstrating that it is impossible for the association to accomplish its social object.

In the event of loss of half of the social capital, the directors must consult the general meeting as to the expediency of an early liquidation.

Should, however, the loss be of two-thirds of the social capital, any single shareholder can demand the judicial liquidation of the company.

Art. 18. Limited liability associations and companies are not liable to be declared bankrupt, except, however, in cases of the criminal responsibility of their representatives and shareholders for crimes personally committed in detriment of the association and third parties.

Art. 19. The provisions of the Commercial Code relative to bankrupcy in its civil and administrative part, together with the alterations set forth in arts. 20, 21, 22, 23, 24, and 25, shall be applicable to the forced liquidation of limited liability associations.

Par. 1. The liquidation cannot be declared except:—

(1.) Through the requisition of the association, or one of the shareholders, in the cases mentioned in art. 17, Nos. 3 and 6, latter part, accompanied by the balance-sheet and inventory.
(2.) Through the requisition of one or more creditors, furnished with competent proofs, in the event of suspension of payments of liquid and outstanding debts.

From the decision resolving the liquidation, recourse of appeal against the petition may be had.

Par. 2. Except in the case of suspension of payments, liquidation may be arranged amicably.

Art. 20. Liquidation by sentence of the judge of commerce once declared, said judge shall appoint out of five of the largest creditors, two auditors, whose duties shall last until the creditors resolve on the concordat that may be offered them, or on a final liquidation.

Par. 1. The auditors nominated shall take charge of the social estate, with a view to its preservation, under penalties of trusteeship, and shall only carry out the duties of simple administration.

Par. 2. It is incumbent on them, with the aid of proficients, to proceed at once with the balance and inventory of the association, or the verification of both, if already organised.

Art. 21. The judge of commerce, in possession of the balance-sheet and inventory, together with the report of the anditors on the causes which determined the liquidation of the company or association, shall, by means of advertisements, call a meeting of the creditors in sufficient time and at convenient intervals, so that the summons may come to the knowledge of interested absentees, and that they may resolve on a concordat or liquidation.

Sole par. The resolution to be valid shall be taken in the same terms as prescribed by law for the validity of concordats presented in a legal bankruptcy process.

Art. 22. The meeting of the creditors is not necessary if the representatives of the company or association present the judge with a written concordat, given by the number of creditors exacted in the preceding paragraph. This concordat being approved of, as well as the one granted by the meeting of the creditors, shall be binding on all the creditors.

Art. 23. In any state of liquidation a concordat may be arranged, even though already rejected, as long as it is given in the form prescribed by the only paragraph of art. 21.

Art. 24. A concordat being refused, or becoming rescinded, the liquidation shall be continued until final settlement, the auditors nominated serving with full powers, but who can be dismissed on the request, without reason assigned, of the creditors who are in majority of numbers, and have the largest credits.

Art. 25. The creditors representing two-thirds of the credit can:—

Par. 1. Continue the business of the association or company.

Par. 2. Transfer it to another association in existence, or which for such purpose may be formed.

Art. 26. The penalty of a fine of 200 milreis to 5,000 milreis will be incurred by:—

(1.) The founders of associations who on forming same omit to comply with the formalities prescribed in art. 3, its paragraphs and numbers.

(2.) The directors who, having been nominated in the public instrument establishing the association, or by the general assembly, treated of in No. 2 of par. 1 of art. 3, omit to carry out what is prescribed in par. 4 and its numbers, and of par. 5 of said article.

(3.) The directors who do not comply with the dispositions of art. 6 and its numbers, those of arts. 12 and 15, omitting to call the ordinary general meeting at the time fixed in the statutes.

(4.) The directors who infringe the dispositions of art. 16 and its paragraphs.

(5.) The directors who issue titles to the bearer in contravention of the dispositions of par. 1.

Art 27. Penalties in accordance with the dispositions of par. 4 of art. 264 of the Criminal Code are incurred by :—

(1.) The managers who infringe the dispositions of art. 31.

(2.) The administrators or directors who distribute dividends not due (art. 13).

(3.) The directors who by any artifice encourage false quotations of their shares.

(4.) The directors who, with a view to guarantee social credits, accept in pledge shares of their own company.

Par. 1. The fiscal auditors who fail to denounce, in their annual reports, the distribution of undue dividends, and of any other fraudulent practices, perpetrated in the course of the year, and which appear in the books and papers presented for their examination, shall be considered accomplices of the authors of such delinquencies, and as such shall be punished.

Par. 2. The responsibility of fiscal directors ceases after the decision and approval of the accounts and operations by the general assembly, no criminal action being, after that, allowed.

Art. 28. In the event of dissolution of a limited liability company in consequence of insolvency or suspension of payments, the directors or managers who take away the books of the said association, inutilise them, or alter their contents; those who may diminish, appropriate or conceal part of the assets, or those who by public instrument, private document, or in the balance sheets, debit the association with amounts not due, shall likewise be punished with the penalties of art. 264 of the Criminal Code.

Art. 29. The prosecution of the crimes treated of in art. 26 shall be brought according to the provisions of arts. 47 and 48, of Decree No. 4824 of November 22, 1871, and tried before the juge de droit, with all legal resources.

Art. 30. In all cases of crime treated of in this Decree, legal action shall be publicly brought.

Art. 31. Limited liability associations are prohibited from purchasing or selling their own shares.

This prohibition does not extend to the amortisation of shares, as long as this is effected with funds in hand.

Art. 32. Limited liability associations are allowed to contract money loans, in or out of the country, issuing for such purpose titles payable to bearer.

Par. 1. The amount of such loans must not exceed the value of the aggregate social capital.

Par. 2. These titles shall be guaranteed by the whole of the association's assets and property, and shall have preference over any other debit acknowledgments.

Par. 3. In the event of the liquidation of the association the bearers of these titles shall receive their value previous to any other creditors, and only after all of them have been realised, or the value of those yet unpaid is deposited, shall the other creditors be paid, in order of preference.

Par. 4. The bearers of these titles can be present at the meetings of the general assembly, and discuss any subject, without

voting, that may affect the debt represented by these documents.

Art. 33. The dispositions of pars. 1, 2, and 3, of art. 2, art. 6 and its numbers, pars. 1 and 2 of art. 10, arts. 11, 13, 17, and 18 to 25 inclusive, Nos. 3 and 5 of art. 26, Nos. 1, 2, and 3 of art. 27, arts. 28, 31, and 32, as well as of par. 3 of art. 7, and those of arts. 12, 14, 15, and 16, No. 3 of arts. 26 and 27; its numbers and paragraphs are applicable to existing limited liability associations.

Sole par. Foreign associations existing in the country must comply with the provision of art. 1, "in fine," within six months time, reckoning from the date of publication of this Decree, under penalty of forfeiting their right to transact business in this Republic.

Art. 34. The provisions of this Decree do not include mutual relief associations, nor literary, scientific, political, and charitable ones, which do not assume a limited liability character. Said associations may be founded without the authorisation of the Government, and controlled by common law.

Share Stock Associations.

Art. 35. Share stock associations (Commercial Code, arts. 311 to 314) are allowed to divide the capital with which the monied partners entered into shares.

Par. 1. In share stock associations, the managers, partners, who by name, assumed name, or surname, figure in the social firm, and those who sign the name of the firm, except when expressly so authorised by power of attorney, are one and all responsible.

Par. 2. The names of the managers ought to be declared in the deed founding the association.

Art. 36. A share stock association is based on a public or private deed, signed by all the partners, and cannot be considered legally constituted except after the whole capital is subscribed and deposited in a bank, or a tenth part of the entrance money or payment of each shareholder be deposited in the hands of some trustworthy person, at the option of the majority of the subscribers.

Art. 37. The authority of the manager, the rights of the monied partners, as affects the resolutions and acts of fiscal administration, and the cases of dissolution, besides those mentioned in art. 17, shall be regulated by the statutes or social contract.

Art. 38. Except in the case of clauses or stipulations to the contrary, the following shall be observed:—

Par. 1. The general assembly cannot, without express agreement with the manager or managers, conclude or transact, with third parties, business that affects the interest of the association, or which involves change or alteration of the social contract.

Par. 2. In case of death, legal incapacity, or impediment of the manager, the appointment of a temporary one devolves on the fiscal agents, who shall only perform the duties of simple adminis-

tration, or those necessary for the maintenance of the rights of the association.

Within a period of 15 days, reckoning from the date of the nomination of a temporary manager, a general assembly shall be called to choose a permanent one.

A copy of the resolution, containing the nomination of the manager, shall be archived and published in conformity with pars. 4 and 5 of art. 3.

Par. 3. The share stock association is dissolved by the death of any of the managers.

Art. 39. The fiscal agents may represent the association in court for the purpose of bringing necessary actions against the partners, who are entirely responsible, if the general meeting so resolves, without prejudice to the rights of each of the partners.

Art. 40. The dispositions of pars. 1 and 2 of art. 1, of arts. 4, 5, 6, 7, and their paragraphs, and of arts. 11, 13, 14, 15, 16, and 17, are applicable to share stock associations.

Art. 41. The dispositions of art. 26, Nos. 1 to 4, and of arts. 27, 29, 30, and 32, and their paragraphs are also applicable to the said associations.

Art. 42. The Government will issue the necessary regulations, modifying, by this Decree, the dispositions of Decree No. 8821 of December 30, 1882.

Art. 43. The law No. 3150 of November 4, 1882, as well as any other dispositions contrary to the present Decree are hereby revoked.

Chamber of Sessions of the Provisional Government, January 17, 1890, second year of the Republic.

(Signed) MANOEL DEODORO DA FONSECA.
RUY BARBOSA.

Mr. Wyndham to the Marquis of Salisbury.

My Lord, *Rio de Janeiro, June* 9, 1890.

WITH reference to my despatch of the 27th of January last, transmitting copy and translation of Decree No. 164 of the 17th of the same month, respecting Limited Liability Companies, I have the honour to enclose herewith copy and translation of two Notices relating to the Decree in question, which appeared in the "Diario Official" of the 6th and 7th instant respectively.

The former Notice explains that the provision of Article I., Section 2, No. 1, requiring foreign companies to realise two-thirds of their capital in this country within two years from the date of their receiving authorisation to carry on operations, is intended to refer solely to associations or limited liability companies engaged in banking.

The latter Notice explains that Article XXXIII, "Sole Paragraph," which orders existing foreign companies to comply within six months with the provisions of Article I., in fine, is to be inter-

preted as referring only to the provisions of Article I., Section 2, No. 3.

I have, &c.,
(Signed) HUGH WYNDHAM.

(Translation.)

Notice published in the "Diario Official" of June 6, 1890.

The "Gazeta de Noticias," in its number of yesterday, treats of Decree No. 164, of the 17th of January of the present year, in regard to Section 2, No. 1, of Article I., on the supposition that the Decree in question compels all foreign limited liability companies to realise two-thirds of their capital "within a maximum period of two years, reckoned from the date of their authorisation."

It is true that, owing to an omission in printing, the Decree was published thus. But the deficiency is corrected in the collection of the Decrees of the Provisional Government of the Republic from the 1st to the 31st of January of this year (Section 1, page 83), where it is expressly stated that the provision in question refers solely to "associations or limited liability companies engaged in banking."

(Translation.)

Notice published in the "Diario Official" of June 7, 1890.

The terms of Article XXXIII., "Sole Paragraph," of Decree No. 164, of the 17th of January of the present year, obliging foreign companies to comply with "the provisions of Article I, in fine," leave no doubt, as the "Gazeta de Noticias" itself admits, that the order in question refers exclusively to the duty imposed upon the said associations by Section 2, No. 3, of the Article in question (Article I.).

That number, which is the last of Article I., requires limited liability companies merely to comply, under pain of abolition (nullidade), with the provisions of Article III., Section 4, Nos. 1 to 3, and Section 5, of the Decree in question.

The interpretation which assumes that foreign limited liability companies are subject to all the clauses of Article I., and not merely to the last of them, is consequently without foundation.

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CHILE.

VALPARAISO.

Further Notes by Consul Newman on the Nitrate Industries of Chile.

In my former report on the nitrates of Chile I said that the trade therein was one of vicissitudes. That can be seen by any nitrate broker's record of prices current for a series of years, especially when taken in combination with a history of the fluctuations in freight and exchange during the same period. Then there have been the effects on the trade of economies gradually introduced in the preparation of the article, and the interference of the Peruvian Government, which at one time expropriated the grounds and attempted to make a national business of the production and sale in Europe. Earthquakes and tidal waves have twice in the last 20 years caused great destruction of life and property in the ports, and, lastly, the Chilian-Peruvian war left its mark. After the conclusion of the war producers had a good time for some years, and this induced increased production till prices began to fall. By 1884 matters were so bad as to cause very serious anxiety among the banks and merchants who had dealings in the nitrate districts. By-and-by it became clear that a limitation of production was an absolute necessity, and this was carried out, though with many difficulties and uncertainties, which for a time robbed it of part of its effect in steadying prices. The principle on which the limitation was agreed on was a percentage of the possible output of each oficina; consequently each oficina claimed as large an output as possible. The producers, who were strong enough financially to stand a period of losing prices, had to be persuaded to come into the combination by being allowed to produce more than their fair share, and when better times came they made large profits. Naturally this brought in a fresh set of producers, and it is questionable if the combination could have been longer maintained. Fortunately at this junction consumption expanded wonderfully in Europe, and all the producers made money working as hard as they could. It is, however, to be kept in view that there are two factors, besides the wishes and intentions of producers, which have of late years tended to limit production naturally. In the first place the high price of copper gave full

employment to a large number of labourers, and in the second the want of shipping facilities and the smallness of the shipping ports always check supplies. The first difficulty has been relieved by the breaking-down of the copper syndicate, which has released many miners, and labour in the nitrate districts is now plentiful andcheaper than for a long time previous. The second difficulty will always exist, but matters can and doubtless will be improved.

NOTE of the Yearly Production from 1884 to 1888 inclusive.

	1884.	1885.	1886.	1887.	1888.
Production ... ... Tons	550,000	350,000	450,000	700,000	800,000
Average price for cargoes arrived	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*
March 31	9 3	9 6	11 1½	10 3	10 3
Ditto, distant cargoes	9 6	9 9	10 0	8 3	9 0
Freights on March 31	32 6	37 6	25 0	32 6	32 6

Last spring the demand for the Continent was enormous, although the prices paid were comparatively high. This spring, with lower prices, consumption is reported to be unsatisfactory. More nitrate was used last year in raising beetroot for sugar than ever before, but the beetroot crop was a short one and sugar has risen immensely. There is no doubt that nitrate is an excellent fertiliser, and that the quantity of nitrate applied has had nothing to do with the shortness of the crop of beetroot; and the fact that agricultural demand increased in spite of high prices, and that the increased rise of fertilisers in a particular year did not result in a larger crop of beetroot in that year, must be borne in mind, in order to point out how risky it is to expect a regular sequence of events in business calculations. The *St. James's Gazette* considers that the real point of President Balmaceda's speech was lost sight of. Perhaps so; but it is not thought so here. The President's speech pointed to jealousy of the foreign element in the nitrate industry. So much was this the case that, in the Chilian Press, the Government was urged to give effect to the national desire for a share in the gains by selling some of the State nitrate fields to a Chilian syndicate at a nominal figure, so as in this way to realise the wish expressed by the President that Chilians should directly profit by the riches contained in their own soil. There is no immediate likelihood that the duties will be raised. At present they are very high, and as long as exports keep on anything like the existing scale, or over, the revenue produced is ample; but if over-production induced unprofitable business, the producers might again be inclined to resort to restriction, in which case it is not unlikely that the duty might be raised. This is supposed to be the general opinion of most merchants here. The Chilian Government is going in for very heavy expenditure—expenditure which would be entirely unjustifiable were it not that revenue derived directly and indirectly from the nitrate districts, and any considerable decrease in this revenue would force the Government to raise the duty. A decrease of production means besides a direct decrease in duty

recovered on shipments, a smaller amount of wages earned, and a reduced consumption of agricultural products for which nitrate districts are the best markets; consequently the imports, which pay on an average 45 per cent. duty, would be reduced also, and the candle thus be burned at both ends. With all respect for the opinions of the highest financial newspapers, and having every confidence in their trustworthiness, it may be suspected that this nitrate industry is such a many-sided business that it is unusually difficult for them to get a proper idea of it. In one London paper it is said that the facts cited by me with respect to the sellers going out on the top of the tide are wrong; that the high prices were in 1881–82, when the total consumption on the Continent did not exceed 240,000 tons as against 527,000 tons last year. The writer of the article has not properly understood. He refers to the high price per cwt. of nitrate; the report referred to that of nitrate grounds. In 1881–82 there was no market for the latter in London, and it is suspected now that there would be considerable difficulty in selling even a first-class nitrate property to a company for 1,000,000*l.* sterling, or even a good deal less. In the years 1881-82 the Continent bought all the nitrate it could get, and paid high prices, because the supply was comparatively small. In his reference to the Primitiva Company, the writer, above referred to, is again on the wrong tack. My report stated that the success of the earlier companies had greatly contributed to the ease with which other enterprises were floated. The Primitiva is precisely one of the companies to which reference was made; but, though an excellent property, it was put on the market at a very moderate valuation. The original shareholders are not to blame that the public rushed the shares up to 600 per cent. premium, and, as the report is to be read, no reflection was made whatever on those who sold either their shares or their grounds at a high price, but an endeavour was made to put before the British public both sides of a difficult question, and to warn them against an unreasonable valuation of what in itself is excellent property. The fact is that to the British investor the nitrate industry is quite a new one, and he apparently thinks that the discovery is as new to the rest of the world as it is to him.

Now that so much of the nitrate production is in the hands of English companies, it would be well to suggest that the English Shipowners' Association should approach the directorates with a view to obtaining greater facilities for loading and discharging at the nitrate ports. It may be of interest to have an estimate of the composition of the price of a quintal of nitrate. It is to-day, June 3, 1889, more or less as follows:—

	Dol.	c.
Average cost placed in bulk in the oficina	0	85
Cost of bagging and putting in cars	0	8½
Carriage by rail, 9¾*d.*, say	0	38
Duty, 2*s.* 4*d.*, say	1	03
Port expenses and shipping clear of surf	0	6½
	2	46
Against a selling value of		

This calculation takes no account of interest or depreciation. Several of the new oficinas can produce considerably cheaper, and one or two might get down to 2 dol. 5 c.; the variable item is the first, namely, *cost placed in bulk in the oficina.* This depends on the quality of the raw material, its distance from the works, and the class of machinery employed. The latest oficinas have of course the last modern improvements. The business is profitable enough at present, but we have seen nitrate sold as low as 2 dol. 15 c., in which case only perhaps five oficinas could produce at a bare covering price. It is not to be inferred that the consumption will not expand to meet the increase of production, which latter is one thing certain; it is to be hoped it will; and though we may have to see prices lowered in order to induce this increase, it is to be expected that the increase will come: at the same time the report warning the investors was very timely. The business of nitrate production is a good, honest business, with a sound natural basis, but even for a good thing one may pay too much; besides, it has risks inherent to itself beyond the question of supply and demand. The disappointing demand for nitrate on the Continent has, it is believed, been partly the result of the collapse of the copper syndicate and Panama Canal Company in France. This tends to hamper banking facilities, and it is to be borne in mind that the greatest increase in the consumption of nitrate last year was in France and Belgium. There is not the least reason to suppose that any of the nitrate companies started in England have been put forward with the desire to swindle the shareholders out of their money, but it is doubtful if all of them will realise the expectations of the present holders of the stock. Competition tends to reduce the margin for profit, and nitrate fields even of the best description get ultimately exhausted. The temptation to increase production unduly is very great, as the cost of the production on a large quantity is relatively less than on a small quantity; the charges for administration not being appreciably raised. Add to this the special risks attaching to the nitrate industry, and the necessity there is for the individual shareholder to form his own sinking fund, and it will be seen that he is not sufficiently remunerated unless he gets at least 15 per cent. or 20 per cent. dividend.

The following table shows in detail the cost of extraction, transport to the coast, and placing on board ship of one quintal of nitrate of soda:—

Cost of 1 quintal nitrate of soda placed on board, and details of said cost.

		Dol. c.	Dol. c.
General charges.—In works for manager and staff of clerks, house expenses, &c.	say for 1 quintal	0 3·00	
Extraction.—In works, blasting men, navvies, and cartage	„	0 45·00	
Elaboration.—In works, for coal and engineers, well and stone-breakers' staff	„	0 19·00	
Buildings.—And unforseen expenses	„	0 2·50	
Preservation.—Of machinery, buildings, and staff of caretakers	„	0 3·00	
			0 72·50
Cost of 1 quintal nitrate of soda in Cancha (for bulk):—			
Workmen.—For filling sacks and loading trucks (for every 100 sacks) or for 1,000 quintals, 11 dol.	„	0 1·10	
Sacks and twine.—Employed in bagging, 1,000 quintals, 70 dol.	„	0 7·00	
			0 8·10
Cost of 1 quintal nitrate of soda in sack and placed on truck:—			
Discharge.—Of trucks in town, 4 dol. each, or 12 dol. for 1,000 quintals	say for 1 quintal	0 1·20	
Agency.—And warehouse in town, for 1,000 quintals, 12 dol. 40 c.	„	0 1·24	
Shipping.—Workmen, 25 dol. 60 c., for 1,000 quintals	„	0 2·56	
			0 5·00
Cost of shipping 1 quintal nitrate of soda:—			
Commission interests and redemption of capital.—For 1,000 quintals, 70 dol. ..	„	0 7·00	
Freight.—By railway, for any distance, 420 dol. 30 c., for 1,000 quintals, according to exchange	„	0 42·03	
Duties on exportation.—For month of July, 1886, premium 51·60 per cent., 1,117 dol. 80 c., for 1,000 quintals	„	1 11·78	
			1 60·81
Total cost of 1 quintal nitrate of soda placed on board, exchange at 25⅛			2 46·41

Valparaiso, June, 1889.

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REPORT AND TRANSLATION

OF THE

MINING LAWS OF CHILE.

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No. 157.

CHILE.

SANTIAGO.

Mr. J. G. Kennedy, to the Marquis of Salisbury.

My Lord, *Santiago, December* 22, 1889.

I HAVE the honour to forward a Report which I have received from Mr. Vice-Consul Thomas, inclosing a translation of the New Code of Mining Laws of Chile.

I beg to call your Lordship's attention to the zeal and industry of Mr. Thomas, as evidenced by the preparation of the inclosed important and voluminous translation.

I fully agree in Mr. Thomas's opinion that the above new mining law will confer great benefit upon the mining industries of Chile; but I am not yet prepared to support the recommendations of Mr. Thomas, as to the advantages offered to investors by the gold mines of Chile.

I have, &c.
(Signed) J. G. KENNEDY.

Vice-Consul Thomas to Mr. J. G. Kennedy.

Sir, *British Vice-Consulate, Santiago, December*, 20, 1889.

During the last few months I have devoted my spare moments to making a translation of the recent Code of Mining Laws approved by the Chilian Government, which came into force on January 1 of the present year; the old Mining Laws of the Republic being abolished on the same date.

This new law is destined to be of immense importance in the industrial future of the mining resources of Chile, inasmuch as it contains several great advantages over the old law, in respect of the investment of capital for their development; and as the knowledge of these is of the greatest importance to British investors who have already placed, and who may in the future be induced to place their money in industrial enterprises of this description in this country, I have undertaken the work, and now

have the honour to hand it to you for transmission to Her Majesty's Government, with the hope that its publication will be of advantage and interest to such investors, and still further strengthen the commercial relations existing between Chile and Great Britain, by fomenting the carrying out of what now may be reasonably termed safe investments in mining properties in the Republic.

The principal advantage which the new law possesses over the old one, is in the facilities offered for the establishment of perfect titles to the properties without the risk of their being disputed, which was constantly the case under the former order of things. To maintain the legal possession of a mine under the old law, four men had to be constantly employed in it, whether there was work to do or not; and without regard to the owner's ability to support them, either out of his own funds or the produce of the mine. The result was that the poorer miners were obliged to seek aid to carry out the preliminary works of the mine, and to maintain the four workmen therein by ceding a part of their discovery or property, or run the risk of having the property denounced any day by unscrupulous parties only too vigilant in surprising him in the non-fulfilment of that very onerous condition, either to blackmail him, or actually obtain possession of the mine, if it was thought to be a good one; the whole affair generally ended in one or more law suits, each more complicated and interminable than the last, and not in the profitable working or development of the mine.

That order of things made mining enterprises very difficult matters indeed for everybody concerned; but the present law obviates all those difficulties in the most effective way, by constituting a perfect title to the property in virtue of the payment to the Government of an annual license, in accordance with the nature of each property. Under this title, which, when properly established by law, is immutable and perpetual, the owner may work his property or not, as he pleases, and with the number of workmen and in the conditions he may think fit; and he may freely transfer his property to anybody, and the latter may receive it without any fear of his title being impugned, until he voluntarily relinquishes it.

There are other and important improvements in the new law, which will doubtless produce their fruits before very long, and especially in opening up the gold mining industry of the country, an industry which has been almost dormant since the time of the Spanish Colony in Chile, but which was an inexhaustible source of wealth to the Spaniards during the entire period of their occupation of Chile and Peru; and I would here call the attention of the British investor to the fact, that the reopening of the old and the discoveries of the new gold mines in this country, is soon going to be the principal mining industry of the Republic; copper mining here having become a precarious business after the collapse of the syndicate, and the creation of a keener competition than ever between European and North American producers.

With regard to the renewed attention being called to gold mining in Chile, I beg to transcribe a few remarks which were submitted to me recently by one of the best authorities on mining industries in the country, Don Marcial Martinez, Ex-Minister Plenipotentiary and Envoy Extraordinary of the Republic in England.

He says, in the memorandum to which I refer, and which I have now before me, that Chile is, perhaps, the country which possesses the largest number of gold mines and deposits in the world. In the time of the Spaniards here three-quarters of the gold sent to Spain was sent from Chile. The working of these mines was abandoned when this country became the principal producer in the world of copper; and they were also abandoned because all the gold mines at a certain depth run into iron pyrites, and with the primitive method of extraction then existing, 60 per cent. of the gold was lost in washing the pyrites.

Besides this, and as the forming of mining companies in England is a difficult matter, the people here who work gold mines at present are poor people, without the necessary means of working on a scale adequate to the requirements of the industry, and for introducing new and more perfect methods of extraction of the gold.

These are the reasons why, notwithstanding the very important auriferous centres existing in the country, the industry is yet in its infancy.

There are two great obstacles in the way of forming companies in Europe to work gold mines. The first is, that immediately the idea of forming a company in England is spoken of, the miners, even the poorest, ask exorbitant prices for their properties. The second is the great distance, which of itself creates immense difficulties not easily overcome. I will explain this. It is necessary that the agents in search of mining properties enter into contracts *ad referendum* for one year, during which the vendor is bound to his contract, and the purchaser is at liberty to accept the purchase or not. This condition is a very unequal one, and it creates almost insuperable difficulties. If the vendor continues to work and discovers unexpected riches in his mine, his first idea will be to raise the price, and he cannot do this under his contract to sell. Should a new purchaser present himself during the year he is in the same predicament, he cannot sell; whereas the purchaser has all the advantages during that time, and can ratify or refuse the business as he pleases.

A reasonable thing to do, in such cases, would be the working and maintenance of the mine by the purchaser during the time stipulated for its final sale. This would make things more equal, but it is generally impracticable, and the owner still runs the risk of not selling his property at the end of that time. This will explain why gold mines are not really worked at present, although the country contains so many rich deposits.

If European capitalists really understood their interests, they would form syndicates, with sufficient capital to send out

mining engineers, and members of their own bodies, to well-known persons residing here, who could direct them at once to 20 mining centres, from Taltal in the north to Tomé in the south, where they could see the mines for themselves, and after satisfactory examinations and reports of the properties, actually purchase these on the spot. Three or four large businesses could be effected in this way, and a large number of those centres developed to the benefit of everybody concerned.

I have the profound conviction that if this idea were carried into effect, Chilian gold would in one year obtain more universal fame than all its nitrate of soda.

There are a thousand ways of preventing mistakes in the real importance of the deposits under examination; and when owners see that there is a positive intention to buy, their pretensions as to price would find their just level.

Several important factors must be considered in choosing mines and auriferous deposits, and the difficulty consists in the true appreciation of the relative values of those factors, so as to arrive at a fair idea of the result of the business. I will explain this point, which is of the first importance.

A given deposit is an excellent one, but it is situated a long way from the coast, and there are no roads. In another deposit the gold is very abundant, but it is mixed with an excessively hard gauge very difficult to work, and sometimes the gold is so finely laminated that most of it is floated away in the process of amalgamation. In other parts free gold is found in ferruginous gauges, and at others in pyrites. The ley, or proportion of gold to the ton, is very variable; sometimes large stones are found with more than 100 ounces to the ton, in lodes whose mass only yields one ounce to the ton. At other places these are very wide but very abundant, although comparatively poor ores; and in others, narrow and very rich lodes. The whole of these factors must be considered before coming to a decision with regard to purchasing the mines, which may be generally considered as offering not mining speculations but large industrial businesses, if they were worked with sufficient capital and extracting machinery of the latest and most economical improvements.

A great deal more might be said on this interesting industry, which, I consider, is soon to become one of the most important in Chile. The Chilians do not possess sufficient capital to work their gold mines; they are, therefore, trying to procure it in Europe, and I think that there is now a good opportunity for the investment of a considerable amount of British capital and scientific labour, which would doubtless soon result in a very profitable source of revenue to the investors, if the whole of the elements in the work are carefully studied in the manner I have the honour to submit in this report.

I have, &c.

J. HENRY THOMAS.

The New Mining Code of the Republic of Chile, January 1, 1889.

(Translation.)

Title I.

Mines and Mining Properties.

Article 1.

The State is the owner of all the mines of gold, silver, copper, quicksilver, tin, precious stones, and other fossil substances, notwithstanding the dominion which corporations or private individuals may possess over the surface of the ground under which they are situated.

But the power is conceded to private persons to survey and to dig, in grounds of any dominion whatsoever, in search of the mines referred to in the preceding paragraph; also the power to form and work the said mines and to dispose of them as their owners, subject to the rules prescribed in this Code.

Article 2.

Free acquisition is granted to persons of mines of gold, silver, copper, platinum, quicksilver, lead, zinc, bismuth, cobalt, nickel, tin, antimony, arsenic, iron, chromo, manganese, molibdinum, venadium, rodium, irridium, tungsten, and precious stones, whatever may be the form and origin of their deposits.

The working of coal and other fossil mines not specified in the preceding paragraph, is ceded to the owner of the soil, who will be obliged, should he work them himself, to constitute the mining property in conformity with the prescription of this law.

The mineral substances of all kinds discovered in unoccupied State or Municipal grounds, are also of free acquisition by private persons.

The right to work deposits of salts on maritime shores, and in lagoons or lakes, belongs to the proprietor of the grounds within his limits of demarcation prolonged towards the sea, lagoon, or lake.

Notwithstanding the foregoing dispositions, the State reserves to itself the right to work all guano deposits in grounds of any dominion whatsoever, and also the deposits of nitrates and analogous ammoniacal salts in State or Municipal grounds in which former mining rights had not been constituted by private persons.

Article 3.

All loose metals and precious stones found on the surface of the soil belong to its first occupant.

Article 4.

The working of auriferous sands, and also those producing tin, and all other mineral productions of rivers and placers, is declared

to be free when found in unoccupied ground of any dominion or ownership whatsoever.

Notwithstanding, when the workings are carried on in fixed establishments, mining properties must be constituted.

Article 5.

The refuse heaps, slag heaps of smelting furnaces, and rewashings of abandoned mines are an integral part of the mine to which they belong, but until these do not become private property they shall be considered as common property.

The refuse heaps of slag and rewashings of old and abandoned reducing establishments shall also be of common utility, where they are found on grounds not enclosed or walled in.

Article 6.

The existence of the mine being established, the surface grounds become subject to the service of the mine, and to become occupied in all the extension necessary for its convenient working as the development of this requires; for the establishment of sorting floors, refuse heaps, smelting furnaces, and machinery for the extraction and reduction of its ores, either alone or mixed with others; for the construction of houses for the workmen, and means of transport to public roads, not only for the produce of the mine, but also for all the elements necessary for its proper working. Mines not metallic are also subject to the same service or rights.

The superficial grounds not cultivated or enclosed are also subject to be used to cut the wood existing on them, and which the miners require as fuel, but the right to cut it ceases if the owner of the property delivers such fuel to the mine already cut.

Such services of the mine are to be constituted by indemnifying not only the value of the ground occupied, but also all damages which they may cause to the owners of the surface grounds, and to any other owner of property existing on the grounds.

Article 7.

The roads opened for one mine may be used by all the others existing in the same district; in which case the cost of its repairs shall be distributed among them in proportion to the use they severally make of it.

Article 8.

The surface grounds of the mine, as well as those adjoining and in the vicinity, are subject to the right of pasturing the animals necessary for its working, while those grounds are not cultivated or enclosed, and also to the use of the natural water running through them for the drinking purposes of workmen and animals. Works may also be executed on such grounds with the object of obtaining water for those purposes, and to obtain motive-power for working and reducing machinery, as long as they are

not made inadequate for the uses to which they are destined. It is understood that all this may be done after arranging the corresponding indemnity.

Article 9.

Waters proceeding from subterranean workings of mines belong to these.

Article 10.

Mines form a landed property distinct and separate from the surface property, although both may belong to the same owner, and the property, possession, use, and enjoyment of them, is transferable as in the case of all other properties, subject to the special dispositions of this Code.

Article 11.

All permanent things and accessories destined to the working of the mine by its owner are to be considered as real property, such as buildings, machinery, pumps, instruments, utensils, and animals. But the animals and objects employed in the service of the person, or in the transport or trading of the ores, or of produce, or tools, or provisions for the working of the mine, or other personal objects of the proprietors or workers of the mine, shall not be considered as real property.

Article 12.

Mines are not susceptible of material division. Nor is it permitted to any partners in the ownership of a mine to exclusively appropriate one or many given galleries or workings of it. Notwithstanding, the interest of two or more partners in a mine may be divided into parts or shares.

Article 13.

The law concedes the perpetual proprietorship of the mines to private persons under the condition of an annual payment of a tax per superficial hectare of ground occupied by them; and it shall only be understood that the property becomes lost and returns to the State through the non-fulfilment of that condition, and subject to the procedure specially provided in this Code.

Title II.

Prospecting for Mines or Searching for Mines.

Article 14.

The power to survey and excavate in grounds of any dominion in search of mines, may be freely exercised where those grounds are not enclosed or cultivated.

Article 15.

To be empowered to execute works of investigation in arable cultivated lands, the permission of the owner or of the manager

of the property is required. In case of the owner or manager denying this permission, the district magistrate may grant or refuse such permission, without recourse or appeal, after hearing the interested parties, and, should he deem it convenient, or should either of the parties request it, the opinion of a mining engineer.

Article 16.

The permission conceded by the judge in accordance with the dispositions of the preceding article, must state the number of persons who may be employed in the investigation, which must be effected under the following conditions :—

1st. That the investigation must necessarily be effected when there are no fruits or produce existing in the grounds ;
2nd. That the time allowed must not exceed one month from the date on which the investigation was permitted ;
3rd. That the petitioner must first give a guarantee, if this is exacted by the owner of the ground, to answer for the compensation of all damage caused to its owner, either by or through the investigation to be made.

Article 17.

He who may have obtained permission from the judge to effect an investigation in a ground, cannot in any case solicit a new permission with reference to the same ground.

Article 18.

If through any justified cause the investigation cannot be effected within the time given, the permission may be transferred to a more convenient occasion, and in virtue of a new decree from the competent authority.

Article 19.

The judge cannot concede permission to work limestone mines or quarries in houses, gardens, orchards, nor in any other irrigated property, nor in arable lands containing trees or vineyards.

Article 20.

No limestone mines, or quarries, or other mining works, must be opened at a less distance than 40 mètres from a building or a railway, nor on steep grounds higher or lower than any road or canal, without special permission from administrative authorities, who will give the permission if there is no inconvenience in the opinion of the respective engineer, and who will prescribe the measures to be adopted to ensure safety in each case.

The same rules must be observed when works are to be commenced within a distance of 100 mètres from canals, acqueducts, watering places for cattle, or any class of springs.

In qualified ports submarine works may not be commenced without permission of the administrative authority and a previous report by experts.

Likewise, and without detriment to the dispositions contained in the foregoing paragraph in its case, permission must be obtained from the respective military authority to execute those works within a distance of 1,400 mètres from fortified places.

The infringement of this article will be punished by the imposition of a fine of from 100 dol. to 1,000 dol., besides the indemnities recovered for all damages caused by its infringement.

Title III.

Of Persons who may acquire Mines.

Article 21.

All persons capable of possessing real property in Chile may acquire mines by all legal means, excepting those specified in the following article.

Article 22.

The acquisition of mines or of any interest in them is prohibited to:—

1st. Intendentes, or mayors, within the province under their command, and departmental governors within their departments.

2nd. Magistrates of the Superior Courts of Justice, and district judges, who have to administer justice in mining affairs within their territorial jurisdiction;

3rd. Notaries of mines and their officials, secretaries of mining courts and their officials, also within the territory of their offices;

4th. The undivorced wives, and children under age, of the before-mentioned functionaries.

This prohibition does not comprise mines acquired by married women before their marriage.

Article 23.

The mine, or part of a mine, acquired in contravention to the dispositions of the preceding article, shall be adjudicated to the municipality of the department in which the mine is situated.

Article 24.

Nobody can under the title of discoverer, registrator, or concessionaire, acquire more than three mining properties on the same mineral lode; but any person capable of possessing property may with other titles acquire any number desired without limitation.

Article 25.

Minors and adult sons may, without the consent or authority of their parents or guardians, acquire the mines discovered or registered by them, these becoming incorporated in their industrial capital.

Title IV.

Of Discoveries of Mines and the Method of Constituting the Ownership of them.

Article 26.

The discoverer of mines at a place where no other mine has been registered within a radius of 5 kiloms., is called a discoverer in virgin ground.

The discoverer of a mine within a radius of 5 kiloms. of a registered mine, is called a discoverer in known ground.

Article 27.

The first person who presents himself to register a mine shall be considered as a discoverer, excepting cases where it is proved that fraud has been practised to anticipate the registration, or to delay the registration by the person who really discovered it first.

Article 28.

A person who discovers a mine while executing mining works by order, or for account of another, shall not be considered as its discoverer; only the person for whom or in whose name the works are being executed shall be considered as the discoverer.

Article 29.

The discoverer of a mine must make a declaration of his discovery before the district judge of the department, or before the mayor (alcalde) acting in lieu of that officer.

On making it he must express his name and those of his partners, if he has any; the most marked and characteristic signs of the place where the mine was found, and the workings in which he discovered the ore; the specification of the species of this; the name he proposes to give to the three properties to which he has a right, and the extension, expressed in hectares, which he desires to give to each property. He must also declare if he is a discoverer in virgin or known ground.

These properties must be registered and marked out separately.

Article 30.

The discoverer in virgin ground shall be the only one who shall have the right to ask for properties within the radius of five kilomètres, measuring from the shaft of the discoverer mine, during the fifty days following its registration.

Article 31.

The secretary of the court before which the declaration is made will note on it its receipt, with the day and hour on which it was presented; he will make a note of it in a numbered register to be kept for the purpose, and will give a receipt to the interested party should he require it.

Article 32.

The respective judge will order the registration of the declaration, and the publication of the registration in conformity with Articles 29 and 30.

Article 33.

The registration is the transcription of the entire declaration or petition and of the decrees attaching to it, together with the note of its receipt and a certificate of the day and hour when it was presented, made in the register of discoveries, which must be kept by all notaries of mines (escribanos de minas).

A copy of the proceedings shall be given to the interested party should he request it, and the original papers are to be archived.

Article 34.

The publication of the registration shall be made by inserting it in a periodical of the department, if there should be one existing, three times, once every ten days.

Should there be no periodical in the department, the publication of the registration must be made by means of handbills or notices, to be attached during thirty days on the door of the notary's office, and in two other and most frequented places.

Article 35.

He who registers a mine (the registrator) is obliged, within 90 days from its registration, to make a shaft or gallery at least five mètres in vertical depth, to serve as a point of departure to fix the situation of the property and to prove the existence of the mineral about to be worked.

Article 36.

A property (pertenencia) is the extension of ground ceded to a miner to work his mine.

Article 37.

The property for mines referred to in paragraph 1 of Article 2 is a solid of rectangular base and indefinite depth within the vertical planes of its limiting sides, and comprises an extension of five superficial hectares as a maximum, and of one hectare as a minimum, at the will of the person registering it.

For the mineral substances referred to in paragraphs 2 to 5 of Article 2, the property will comprise as much as 50 hectares.

Article 38.

After making the shaft or gallery described in Article 35, the owner of the mine must proceed to provisionally enclose his property by stakes or piles of stones visibly placed at each end of it. He must then ratify its registration by means of a petition directed to the district judge, or mayor (alcalde) acting as such judge, and

express in the petition the circumstances which characterise his mine, and the directions in which he has provisionally staked out his property, and its extension, expressed in hectares, comprised in it.

This petition must also be registered like the declaration.

The obligations must be complied with by the owner within the time stipulated for making the shaft.

Article 39.

The proceedings referred to will serve as the provisional title to the mining property until, at the petition of the owner or interested parties, the definite title is constituted by the measurement of the property by order of the judicial authorities.

But the contents of the provisional title cannot serve in any case as a legal proof (cannot be accepted as evidence).

Article 40.

If the registrator (owner) do not wish to obtain the provisional title, and prefer to constitute the definite one instead, he must express his wish to this effect in his petition to ratify the registration.

Article 41.

If the owner should fail to make the shaft and to ratify the registration, he shall be considered as having desisted from his rights.

Article 42.

Any error with regard to any of the circumstances stated in the ratification of the registration may be rectified at any time, and the ratification shall be inscribed in the register.

All of which it is understood is not to prejudice the rights or interests of third parties.

Article 43.

The persons who claim to possess a preferable right to a discovery must present his or their claims within the time granted to the owner or registrator to ratify the registration; and such persons will not be heard should they present claims afterwards.

Title V.

Of Properties to be Explored in Known Grounds.

Article 44.

180 days after the ratification of the registration or demarcation of the property of a discovered mine, any person may solicit a property to explore the ground in the direction he indicates from the limits of the property marked out for the discoverer.

These petitions must be inscribed in the register in the same manner as the declarations of discoveries.

Article 45.

If two or more persons should solicit properties of this kind in the same direction, the first to present himself shall have the preference to select his grounds; and the others in the respective order of the dates on which their petitions are presented.

Article 46.

The owner of grounds under this class of properties is obliged to make the shaft and ratify the registration thereof, although he may not have found mineral-bearing lodes, and subject to all the obligations imposed on discoverers.

Title VI.

Of the Demarcation or Measurement and Constitution of the Definite Title of the Properties.

Article 47.

To proceed to the demarcation and measurement of a property, the owners of contiguous properties must be summoned, personally, if known, or if they reside in the same mineral district or department, or the manager of the mine whose owner resides anywhere else; and if the owners or manager are not to be found in the place, they shall be summoned by an edict fixed during 15 days on the door of the Court of Justice, and by a notice inserted three times in a periodical should there be one in the department.

The parties so summoned will have 10 days to claim preference for the measurement of his or their mine or mines.

Article 48.

The priority of the manifestation or declaration of a mine gives the preferential right to its demarcation and measurement with respect to other and less older mines.

Article 49.

If no contradiction occurs in the petition for measurement, or on the resolution of any litigious questions arising therefrom, the judge will order the operation to be proceeded with, giving previous notice to the parties of the day when this is to be carried into effect.

Article 50.

The measurement of the properties must be effected by the interested party employing any titled mining engineer in the presence of two witnesses, and in default of the engineer by an expert appointed by the judge.

Article 51.

Each of the interested parties will also have the right to appoint before the judge an expert to assist in the measurement and demarcation, who will watch the operations of the person appointed to make the measurement, and will make on the ground

the observations and claims referring to the proceedings, data and appreciations of the measurer.

Article 52.

The engineer or expert must first examine the mine, and if there should be ores or lodes in it, and if the legal work has been done, he will proceed to mark out the property, in the forms in which the miner has indicated or petitioned in the ratification of its registration, or as he may then decide, if there are no adjacent properties, or, should there be any, their owners make no objection; but the shaft made must always be included in the property.

The measurer will also take some samples of the ore, and will mark the points for placing the boundary stakes or piles of stones, and shall see that these are well and firmly built, and that they are plainly visible.

Article 53.

Properties solicited to explore grounds situated at the continuation of another known mine must be marked out in such a way as to leave no free space between the one and the other.

Article 54.

The property must always be continuous. Should there not be sufficient ground to make the measurement by the interposition of another property already measured, the new property must be restricted to the free space intervening between them, and the measurement must not be completed by passing over the property of the intervening mine.

The extension of ground less than one hectare resulting from the measurement of several properties, shall be ceded to the owner of a neighbouring property registered before any of the others.

Article 55.

The engineers or experts shall take magnetic north for fixing directions, and, whenever it is possible, shall determine the position of the legal shaft which has served them as a base for making the measurement in relation to fixed and visible objects on the ground with a note of their distances from each other. In places where the astronomical meridian is fixed, the engineer will be careful to note the angle of magnetic variation.

Article 56.

After making the measurement, the engineer or expert will make a minute of the operation, which shall contain a clear, precise, and detailed account of the manner in which it was made and the result obtained, and also of any observations or claims made by the experts present named by all the interested parties.

This minute, to be subscribed by the engineer himself, the experts present, the interested parties, and two witnesses, must be presented to the judge, who, on finding the legal requisites to be complete, shall order its inscription in the register, the original

to be archived and a copy to be given to the interested party; or to make good any legal faults in the proceedings, if there be any.

Article 57.

In the case of divergence of opinion between the engineer and the experts present as to points of judgment in the measurement, the judge will appoint another engineer or expert to proceed in common accord with the differing parties; and should the new operation result in a majority of opinions in favour of the proceedings, the inscription shall be ordered to be made in accordance with the majority and in the form determined in the preceding article.

Article 58.

The operation effected in conformity with the preceding articles shall be immutable, and shall constitute the definite title to the property of the mine, and this title shall not be impugned unless an error of judgment should occur in the minute of measurement, or unless a fraud has been perpetrated in carrying out this operation.

Article 59.

The operation may also be rectified on the petition, and at the expense of the miner, who should situate himself on the limits or in the vicinity of a measured property, and who should allege that this contained a greater extension than that assigned in its title.

Article 60.

In the rectification the same mode of proceeding shall be adopted as that determined with respect to the primitive demarcation and measurement.

Article 61.

The miner is obliged to maintain and keep in repair the boundary marks of his property, and he may not move or alter them without incurring the penalty of a fine of not less than fifty, or more than five hundred dollars, without prejudice to the criminal responsibility attaching to him for any malicious infringement of this law.

Article 62.

Should any accident or fortuitous cause destroy any of these boundary marks, the miner must give notice of the fact to the judge, in order that the latter may order such mark to be replaced on its proper site, and to give notice of this to the owners of surrounding properties.

Title VII.

Of the rights of the Miner to his Property, and of the Trespass of Mines.

Article 63.

The concessionaire of a metalliferous mine is the exclusive owner, within the limits of his property and to any depth, of all the mineral substances found or existing in it.

The concessionaire of mineral substances, to which paragraph 2 and the succeeding ones of Article 2 refer, is owner only of the substances declared and registered by him.

Article 64.

The neighbouring miners have the right to visit personally, or through an engineer or expert named by them or the judge, all the mines in the vicinity.

When the visit is solicited by reason of suspected trespass or through fear of inundation, the engineer or expert may measure the workings nearest to the mine of the petitioner.

Article 65.

The refusal and any difficulty or obstacle put in the way of the inspection or examination of neighbouring mines, shall be taken as a presumptive breach of faith on the part of their owners.

Article 66.

If from the measurement effected by the engineer or expert appointed by the judge, a trespass on another property should be proved, the judge will order the provisional suspension of work in the part trespassed upon, and will fix seals on the dividing boundaries while the interested parties ventilate their respective rights in the law courts.

Article 67.

All trespassers will subject the person effecting it, or them, to the restitution of the value extracted from them, assessed by experts, without prejudice to his being prosecuted for larceny, should breach of faith be proved against him.

Breach of faith is to be presumed when the trespass exceeds an extension of 10 mètres.

Title VIII.

Of the working of Mines and the services proper to them.

Article 68.

The miners may freely work their mines without subjection to any technical prescriptions, save and except the observance of the rules laid down for police vigilance and safety.

Article 69.

For the purposes of the preceding article, the mines are subject to the vigilance of the administrative authorities, which will order their inspection in the manner and at the times they may deem most convenient.

Article 70.

The miner may work his mine by means of adits commenced outside his property on ground not occupied by other mines.

Article 71.

If to execute these works he should have to commence them in a property not his own, or to traverse this in its total extension, or only in part, and not being able to arrive at an agreement with its owner, he should apply for permission to execute such works to the respective judge.

The judge will grant this permission, if, on the report of an engineer, the following circumstances should be established:—

1st. That the work is possible and useful;

2nd. That the work cannot be effected from any other point without incurring a large excessive expense;

3rd. That the working of the mine traversed by the adit is not interfered with to any considerable extent.

Article 72.

Each of the parties may also appoint an expert to proceed in the matter, together with the one appointed by the judge, who will notify these beforehand of the day when the examination of the ground is to take place.

Article 73.

Should the engineers or experts not arrive at any agreement, the case shall be proceeded with as provided by Article 34.

Article 74.

The judge, on granting the license, will decide the direction to be taken by the adit, and the maximum of its extension in the other owner's property, in conformity with the report of the engineer or experts; and the constructor of the adit shall not vary that direction or extension in the course of the work without obtaining a new license, which must not be granted to him without a report by the engineer.

A new license will not be necessary when the variation is accidental, to avoid the difficulties which may present themselves during the work.

Article 75.

Before commencing the adit, or gallery, a guarantee must be given by the person about to commence it to answer for the indemnity for damages done to the mine he proposes to traverse.

Article 76.

The owner of the mine traversed must respect the adit, or gallery, traversing it, and not touch its retaining works, and abstain from taking ores from points where the walls would be left with less than 2 mètres in thickness, unless he should properly and solidly fortify them. But the owner of the adit shall pay the damages caused to the miner by the fulfilment of this obligation.

Article 77.

Should the constructor of the adit discover a metallic deposit in another's property, he is not allowed to work this, and must limit himself to follow on with his adit and deliver the ores extracted to the owner of the mine, deducting the cost of extracting them.

Article 78.

The owners of mines draining their properties through the adit, or working their mines through its facilities, must pay to the constructor of the adit, on the assessment made by experts, the value of the benefit received, or the cost of obtaining those benefits by other means.

This disposition is also made extensive to cases where the mines are drained by means of shafts.

Article 79.

The mines are subject to give ventilating facilities to those requiring these, and to permit the subterranean passage of the others in the direction of the general drain. They will also allow free passage over their surface which is necessary for the work, and, on the surface as well as in the interior, all those services or uses which, without interfering with the working of such mines, are to be ceded for the benefit of the others.

It is understood that all such services are to be granted subject to the payment of the damage caused by them, and which are to be valued by experts.

Title IX.

Of the Transfer, of the Prescription of the Mines, and of the Sale of Ores.

Article 80.

The mines may be transferred between live persons, and transmitted by cause of death in the same manner as all other real property.

Article 81.

The original possession of the mines is acquired by the legal ratification of their registration, and from the time in which this is effected the mine registered is subject to the prescriptions which govern the property inscribed.

Article 82.

For the transfer of measured mines and the constitution of real property in them, a special register shall be kept in each department by one notary, who shall be the same notary who keeps the other registers of mines, if this is always possible. This special register shall be governed by the same dispositions which rule the register of the registrar of real property.

Article 83.

The transfer of the mines, the registration of which has not been ratified, or in respect of which a definite title has not been constituted, must be verified by the inscription in the register of discoveries.

Article 84.

The contracts in which the mines are transferred cannot in any case be rescinded by cause of any damage (lesion enorme) done to either of the contracting parties, by paying either too little or too much for the property.*

Article 85.

The sale of the mines shall not be considered as having been perfected until it is reduced to public writing. Notwithstanding, written private contracts shall be valid as promises to reduce them to public writings.

Article 86.

The time of possession necessary to acquire the mines by prescription shall be only two years for the ordinary, and ten years for the extraordinary prescription, without distinction in all cases between persons present or absent.

Article 87.

Ores bought on the sorting floors of the mine, or from a known miner, or in the presence of a judge, or of witnesses, who are not employés of the purchaser, or by a certificate given by the local authorities, in which it is stated that the vender actually works a mine of the ores sold, or that he has acquired the said ores by a legitimate title, cannot be recovered in any manner whatever.

Article 88.

The purchase of stolen ores, made without the requisites established in the preceding article, will subject the purchaser to the presumption of being the concealer of the theft.

* This disposition is different from the Civil Code which governs all other real property, in which it is provided that contracts for the transfer of property can be rescinded when it is proved that the contracted value was less than one-half or more than double its real value at the time of the sale.—J. H. T. (Note by the Translator.)

Article 89.

In the case of the preceding article, it will be sufficient for the recoverer to prove that ores have been stolen from him, and that those claimed by him are equal to those produced by his mine.

Title X.

Of the Hire by Time of the Services of Workmen.

Article 90.

Contracts for the hire of services of workmen for a given time over one year must be made in writing, but the workman shall not be obliged to remain in such service for more than five years from the date of his contract.

Article 91.

If a time should not be fixed, the service may cease at the will of either party.

Notwithstanding, in the case of foremen, artisans, or other workmen of the same class as these, both parties must give notice of at least fifteen days of his intention to conclude the contract, whether or not dismissal has been stipulated in this.

Article 92.

If the workman who was contracted for a given time and with a stipulation as to dismissal, should leave his work in an inconvenient manner and without just cause, he shall pay to his employer a sum equal to one month's salary, or of the time for the dismissal, or of the days wanting to complete this, respectively.

Article 93.

The employer, who, in like cases, should dismiss the workman, will be obliged to pay the latter an equal sum, besides the expenses of his coming and returning, should he have been contracted in such a way as to be obliged to move his place of residence.

Article 94.

The inaptitude, bad conduct or insubordination of the workman, or his incapacity to attend to his work through any cause for more than one month, shall be just causes on the part of the employer to put an end to the contract.

The employer, notwithstanding, must have the proper attentions paid to the workman who has been wounded or become ill in the execution of his duty, or through any accident occuring in the mine.

Article 95.

A just cause on the part of the workman shall be bad treatment by the employer, or his failure to pay the workman's wages at the agreed or usual times.

Article 96.

The workman who should abscond, having received payments in anticipation, or advance, of his work, or salary, without working this out, shall become responsible for the sum embezzled.

Article 97.

Credit shall be given in the books of the mine, when they are properly kept by its bookkeeper, and not by owner himself:—(1) In the order of amounts of salaries; (2) In the order of payment of salaries already due; (3) In the order of payments on account made to workmen for the current month.

Article 98.

Contracts made for the execution of stated works, and those referring to services of managers, bookkeepers and other employés of this category, although these may have been contracted for a given period, are not subject to the foregoing dispositions.

Article 99.

The salaries and wages due in the current month to the workmen and the other employés of the mine, including the manager, must be paid preferentially with the product of the mine. The useful tools of the mine may even be sold with this object.

With respect to the other goods and chattels of a bankrupt miner, the wages and salaries of the workmen and employés will enjoy the privileges granted by common right to clerks and servants.

Title XI.

Of Mining Companies.

Article 100.

A company is constituted when two or more persons together work one or more mines, in accordance with the prescriptions of this Code, companies are constituted:—(1) By the fact of registering a mine in company with another; (2) By the fact of acquiring a part in registered mines; (3) By a special contract of company. This contract must consist of a written private or public instrument or deed.

Article 101.

All business concerning a company must be treated and resolved at meetings, by majority of votes.

To form a meeting, the attendance of one-half of the shareholders present with the right to vote will be sufficient, after having summoned them all, those without the right to vote included.

In the notice the object of the meeting, and the day and hour on which it is to take place, must be specified.

Article 102.

The notices must be given by means of advertisements and edicts.

The advertisements must be published in a daily paper of the department three times during fifteen days.

The edicts must be fixed during the fifteen days on the doors of the office of the notary of mines.

Should there be no periodicals, the edicts will suffice for the purpose.

Article 103.

Shareholders with a right to vote, or their representatives if these are known, shall be personally summoned if they reside in the department in which the mine is situated.

Otherwise the advertisements or edicts shall be considered as sufficient summons or notice.

Article 104.

When, in the minutes of meetings, their objects have been stated and another day and hour fixed for a new meeting or successive meetings, the shareholders present shall be considered as having been personally summoned.

Article 105.

The notices or orders of summons to convene a meeting shall be given by the chairman of the company, whenever he should deem this to be convenient, or when any of the shareholders should solicit it.

In default of a chairman, two or more shareholders, or the manager, should the latter have the power so to do, may convene a meeting.

Only in the case of a refusal of the chairman to convene a meeting, may the shareholders proceed to do so.

Article 106.

The company, or its board, must constitute a representative sufficiently empowered to do all and everything in connection with the authorities.

Article 107.

In the deliberations of the shareholders, those members shall have the right to vote, save and except specified cases, who hold or represent at least 4 per cent. of interest or property in the mine.

Those members who possess lesser parts, should they all conform, may unite them to form as many votes as whole parts they may compose.

Article 108.

To constitute a majority, the number of votes, and not of voters, must be counted.

Votes belonging to one owner alone cannot of themselves constitute a majority.

When they are one-half or more than one-half of the shares, the result of the voting shall be considered as being equal on both sides.

Article 109.

The judge shall decide such equalities of votes, whatever may have been the cause of such equality, taking into consideration the points most in conformity with the law and the interests of the company.

Article 110.

The shareholders may freely and effectively dispose of their interests in the company.

But the encumbrances and obligations affecting them will remain subsistent.

Article 111.

The administration of the company corresponds to all its members; but one or more persons elected by them may be appointed by two-thirds of the votes present.

The time, attributions, duties and remunerations of the managers shall be fixed by the board, if they have not been stipulated in the contract of company.

The managers cannot contract credits, encumbrance the mine or any part of it, sell the ores or bar-metal, appoint or dismiss foremen, without special authorisation to do so.

In every case the shareholders may impede the sale of ores or bar-metal by paying the corresponding expenses.

Article 112.

The expenses and products shall be distributed among the shareholders in proportion to the parts or shares they hold in the mine, unless there should be any disposition to the contrary.

Any stipulation which would deprive a shareholder of all participation in the benefits or products of the mine is null.

Article 113.

The distribution of the benefits or products of the mine shall be made whenever the majority of the shareholders shall so determine, and in the event of disagreement between them, when the managers of the company and the mine may think fit.

Article 114.

The distribution shall be made in ores, bar-metal, or in money as the shareholders may decide.

In the case of disagreement as to the distribution, this shal be made in money.

On the petition of one or more shareholders who represent the fourth part of all the shares, the distribution shall be made in ores or bar-metal.

Article 115.

The value and extension of works to be executed in the mine with the products of this, shall be determined by majority of votes when the value of such works do not exceed one-half of the products.

Article 116.

Should the mine not give sufficient products, the shareholders will fix the part to be subscribed by each to pay expenses. In this case, to make the resolution obligatory, the votes of those who represent two-thirds of the total rights or shares in the mine must be counted in its support.

Article 117.

There is disagreement:—

1st. By not paying the corresponding calls within the time stipulated for doing so;

2nd. When in default of a stipulation, or resolution, these calls are not paid within 30 days from the date they were made;

3rd. If expenses are incurred without making calls, or should such expenses exceed the amount of calls paid in, should the shareholders not pay their corresponding parts within 15 days;

4th. Whenever a member of the society does not contribute to the expenses necessary for the safety and maintenance of the mine.

Article 118.

In either of the cases expressed in the preceding article, the manager of the company may dispose of the parts of ores, bar-metal, or money corresponding, to the party not concurring with his call, to the amount of his arrears.

Article 119.

Should the mine give no products, or should these not be sufficient to cover the expenses or calls in full or in part, any of the contributing members may ask the judge that the shareholder not concurring with his call, be summoned judicially to pay this, under the penalty of considering him as having desisted from his rights.

Should he fail to make the payment within 30 days after such summons, his part of the mine shall be declared void, and it shall be sold by public auction for the minimum of the calls owing upon it. The surplus, should there be any, will be handed to the party in arrears, after deducting the expenses of the sale.

Article 120.

If the shareholder not concurring should be absent from the territory of the Republic, the summons shall be made by advertisements and public notices as established in Article 102.

But in the present case the notices must be published five times in 30 days, and the placards must be fixed for an equal time.

Article 121.

The summoned shareholder may oppose the pretensions of the concurring shareholders within the 30 days described.

The statement of opposition must be accompanied with the documents, and a clear and concise exposition of the facts which justify it.

If no opposition should be made within the 30 days fixed, the judge will order the sale by public auction of the part of the mine belonging to the shareholder in arrears.

Article 122.

The following are causes for making the opposition :—

1st. The payment of the amounts for which the shareholder was summoned ;

2nd. That those amounts proceeded from works executed without the consent of the opposing shareholder in cases where this consent is necessary ;

3rd. That the call or amount demanded is to be invested in the same class of works :

4th. The existence of ores sufficient to cover the debt.

Article 123.

The claiming shareholder will present, together with his statement of opposition, a guarantee for the expenses to be incurred or calls to be made after the summons to pay, until the definite settlement of the question.

The payment must be effected if the judge should disallow the sale, or if the claiming shareholders should desist from their claims.

Article 124.

Mining companies are dissolved :—

1st. By the fact of one person becoming sole possessor of the whole of the mine ;

2nd. By a declared abandonment of the mine ; and

3rd. When, having formed a company under special stipulations, anything should occur to produce dissolution in accordance with such stipulations.

Article 125.

The company which is dissolved under the last clause of the preceding article, subsists legally in respect of persons who have remained with a part of the mine.

Article 126.

A company is not dissolved by the decease of one of its members. He is succeeded by his heirs, each in the proportion of the mine inherited by him.

Article 127.

Exploring companies are constituted by simple agreement between two or more persons to carry into effect an expedition with the object of discovering mines or lodes.

Such agreement may be made either verbally or in writing, publicly or privately.

Article 128.

When explorers do not receive wages or other remuneration, they are to be considered as partners in what they may discover.

Article 129.

Every person in an exploring party who earns wages, whatever may be his occupation in such party, discovers for the person employing him.

Should a previous promise or agreement exist, this must be made in writing.

Title XII.

Of the Patent and Lapse of Proprietorship in the Mines.

Article 130.

The mines comprised in paragraph 1 of Article 2 of this Code, shall pay an annual patent of 10 dol. for each hectare. The properties formed with deposits of the mineral substances described in paragraph 3, of the said article, shall pay 5 dol. per year per hectare.

Article 131.

Mines worked by the owner of the soil shall pay no patent until they are transferred to another person as a real property separated from the soil. In the last case they shall pay a yearly patent of 5 dol. per hectare.

Article 132.

The present proprietors of mines must pay the patent without taking into consideration fractions of hectares, but those who possess less than 1 hectare must pay the patent for 1 hectare.

The present owners of copper mines whose properties have been fixed by them in planes parallel to the inclination of the lode shall only pay the patent for the exterior surface occupied by them also, without taking into consideration fractions of hectares.

The proprietors of mines which actually enjoy the privileges granted to the constructor of adits, or horizontal galleries, to preserve several properties through one adit only, shall not pay a patent for more than 30 hectares, whatever may be the extension of ground occupied by them.

The present concessionaires of deposits of borates shall pay, as a maximum, the sum of 100 dol. for all the properties held by them in one deposit.

Article 133.

The annual patent must be paid in advance into the fiscal treasuries, from March 1, to March 31, inclusive of each year.

The amount of the patent payable by concessionaires prior to the ratification of the registration or measurement of the mine, shall be proportional to the time wanting to complete the annual period ending March 1, inclusive, of each year.

The payment may be made in any departmental treasury. If the payment is made in a department which is not that in which the mine is situated, the chief of the receiving office will, within three days, remit the treasurer of that department an authorised copy of the receipt of the patent as noted in his books.

Article 134.

A mining concession, or mine, shall only lapse by the non-payment of the patent within the time fixed by this law, in which case the mine will be sold in public auction and adjudicated to the highest bidder, with the condition of continuing to pay the respective patent. From the amount of the sale the sum owing to the Government shall be deducted, and the balance, less the costs incurred, shall be returned to the previous owner. The latter may suspend the auction of his property by paying a sum equal to double the value of the patent owing, but he is not allowed to bid, or to make any offer on the day of the sale, without first paying a fine equal to the sum owing, plus the costs of the proceedings. Should there be no bidders, the judge will declare the ground free.

Article 135.

During the first 15 days of April, the offices entrusted to receive the patents will pass, to the respective court of justice of the department, a list of the mining properties which have not paid their respective patents.

The judge will order the publication of notices five times in a periodical of the department, should there be one, and if not, by means of placards, on which the day of the sale must be fixed, and this must take place between 40 and 50 days from the date of the first publication of the notice.

Any omission incurred by the officers entrusted to remit the lists referred to in the first paragraph of this article, may be rectified on the application of any person.

Article 136.

The officers entrusted to keep the registers of mines will every quarter remit to the Principal Treasury a list of the properties measured, or the registration of which has been ratified in the same period.

Title XIII.

Of Provisions for Working Mines.

Article 137.

By the compact of provisions a person obliges himself to pay the cost of working the mine, and to pay himself only with its products.

Article 138.

The contracts for provisions must be in writing; and they will be of no effect in respect of third parties, or of other creditors, unless they are made in public writing, and inscribed in the register of the constitution of real property in mines.

Article 139.

Contracts for provisions may be made for a given amount, or for a given time, or to execute one or more works in the mine.

Article 140.

Should the provision contract not specify the amount of the provisions, or length of time it is to last, either of the contracting parties may cancel it whenever he thinks fit, by previously paying anything owing in respect of it.

Article 141.

The miner may put an end to contracts or agreements for provisions at any time, by ceding the mining property to the furnisher of the provisions, and by the latter relinquishing his credit for provisions.

Article 142.

It may be stipulated that the payments owing to the furnisher of provisions are to be made in ores valued by the interested parties, or by a third person, as in the case of sale, or in money with the specified premiums, without any limitation.

Article 143.

It may likewise be stipulated that the furnisher of the provisions may become the owner of a part of the mine, in compensation or payment of the provisions furnished by him, and in this case the contract shall be ruled by the same dispositions as those which rule partnerships in mines.

But if, in virtue of the right conferred by Article 141, the furnisher of the provisions should stop their supply, the part of the mine taken over by him in virtue of such contract shall return to the proprietor of the mine free of all encumbrance or obligations.

Article 144.

The provisions must be supplied by the furnisher in the terms

stipulated, or as the progress of the works may requre them; and if on request he should refuse to pay them, or should delay in so doing, to the detriment of the works, the miner may elect to demand the payment through the corresponding courts of justice, or to borrow money from another person on account of the furnisher of the provisions, or to contract with a new furnisher of them whose credit shall be paid preferentially.

Article 145.

Should the miner invest the money or effects supplied in or for any object but the one for which they were supplied, without the consent of the furnisher, he will become answerable for breach of confidence, and the provider of the supplies will then have the right to take the mine under his own management.

The furnisher of the provisions shall have the same right, if when the mine does not pay its expenses, it is proved that the miner manages the work in a negligent and extravagant manner, after having pointed this out to him and protested against the above.

Article 146.

If after the conclusion of the contract for provisions the mine should be still owing money, the furnisher of the provisions may exercise the right to retain the mine, and to work it under his own administration, until he has recovered the whole of his credits preferentially to those of any other creditor, with the exception of former hypothecations or mortgage credits, not only for the sum owing but also for the new provisions supplied, together with the premiums thereon in the manner stipulated in the contract.

Article 147.

If, in the case of the preceding article, the furnisher should refuse to continue the supply of provisions to the mine, the miner may contract with other suppliers of them, who will enjoy the preference over the former provider.

Article 148.

The shares ceded to the furnisher of supplies under the preceding articles, do not impede the examination of the mine by its owner, nor his intervention in its affairs; and the opposition of the furnisher of the provisions to the exercise of this right in any part of the management will deprive him of this.

He shall also cease to have the management of the mine by abuse of confidence, without prejudice to his criminal responsibility.

Title XIV.

Of Lawsuits in respect of Mines.

Article 149.

There are no special or statutory privileges in the lawsuits

referring to discoveries, claims (denuncios), properties, measurements, and, in general, in all those in which a certain right is claimed under the present Code of Laws.

Article 150.

In the lawsuits referred to in the preceding article, no other writs shall be admitted than the demand and the reply, and on the presentation of these, the parties will be summoned to a verbal hearing.

In this hearing the judge will summon the parties to receive judgment:—

1st. If the question or questions in dispute are purely legal ones.

2nd. If the parties agree as to facts, or if they should conform as to them during the examination of the judge in the hearing of the case.

3rd. If the facts are proved by the documentary evidence put in, and if the papers have been acknowledged and accepted as valid by the plaintiff or defendant in the case.

4th. If the parties should agree to allow the judge to settle the dispute, in view of the evidence already adduced in the suit.

The verbal evidence must be taken in public hearing, and the party against whom a witness is presented shall have the right to cross-examine him, even during the same hearing.

Notwithstanding, the parties may agree to give evidence in the form established in common law.

In the event of an excess of work in the court, the taking of evidence may be delegated to the special judge of appeal referred to in Article 38 of the Law of Organisation and Attributions of the Tribunals of Justice ("Ley de Organizacion y Atribuciones de los Tribunales.")

Not more than 10 witnesses can be presented on either side.

On the expiration of the time set down for trial of the case, and after the evidence has been published, the judge will summon a meeting of the parties, and with the proofs and evidence produced thereat by the parties, either in writing or verbally, they will be notified to hear the sentence.

Such meetings and summonses shall be effected with the attendance of any of the parties.

Article 151.

All indemnities for damages, should there be no special agreement between the parties, shall be decided on the assessment made by two experts, one named by each party, and on that made by a third to be appointed by the judge in cases of discord.

On the presentation of the reports of the experts, the judge will decide the case without furthur procedure.

Article 152.

In cases where the sequestration of a mine is ordered, or that

of its products, a sufficient amount must be left to pay the working expenses.

The owner or trustee may terminate the sequestration on presenting a guarantee or mortgage to answer for the restitution of the mine or of the said products; but, in this case, the party claiming the sequestration may request the appointment of an overseer to watch the working of the property, and to keep an account of the expenses and products of the mine.

Article 153.

Should the sequestrated mine not yield products sufficient to pay its working expenses, and should the sequestrating party not supply the necessary funds to pay these, the mine must be returned to its owner until the final decision of the question which originated its sequestration.

Article 154.

The sequestration of ores cannot be decreed in an ordinary lawsuit without first hearing the parties, and in virtue of a presumptive title of dominion, or right of the person claiming it, until proved to the contrary.

Title XV.

Of the Execution in Mining Lawsuits (Distraint).

Article 155.

In cases of distraint of mining properties, the mine itself of the debtor can neither be attached nor alienated, nor the tools and provisions supplied for working the mine without the consent of the miner freely expressed during the lawsuit; but the distraint may be effected on the existing ores extracted from the mine, without detriment to the preferential right established in Article 99.

Article 156.

If the products of such ores and those of the other goods distrained should not suffice to pay the debt, the creditor shall have the right to take the mine under his own management, as its judicial owner, until the whole of his credit has been paid with the products of the mine.

Article 157.

The creditor, to whom the mine is delivered as a judicial pledge, must manage it with the care and the same obligations as those imposed by law on the managing partners in the mine.

Should the mine not produce a sufficient sum to attend to its legal and prudent expenses and working, authorisation may be obtained from the judge to supply it with the necessary provisions, and to enjoy the right of retention granted to furnishers of such provisions, not only in respect of the sums invested in

supplying the mine with the necessary provisions, with the usual current interest thereon, but also in respect of the original credit.

Article 158.

While the mine remains in the possession of the creditor, the miner shall have the right to visit it, and to examine the working of it, and the books of its accounts and vouchers, either himself personally or through an agent, and also to make the observations and objections which the mode of working may suggest to him.

He may also request the appointment of an overseer, with the powers conferred by Article 152.

Article 159.

If the creditor should not maintain the mine in working order, or should he be found to be working the mine in a fraudulent manner, or that his management of the mine is negligent and extravagant, after having stated this to him and protested against such an abuse, he shall forfeit the right to manage the mine, and shall only be allowed to request the appointment of an overseer to receive the net proceeds of the mine for his account.

Article 160.

In cases of bankruptcy of the miner, the creditors may be requested to take over the management of the mine for their account, if they should consent to do so; and those creditors who should consent to take over the working of the mine shall possess the same privileges and obligations established in respect of the executing plaintiffs or creditors.

It is understood that this can only be effected without detriment to the rights granted to mortgagors and to suppliers of provisions.

The hypothecatory, or privileged creditors of the mine, shall have the preferential right to take possession of and to work it.

Transitory Articles.

Article 161.

The present owners of mines may constitute their properties in the manner determined by the present Code, without detriment to the acquired rights of third parties.

Article 162.

In respect of coal deposits of the sea shore and the adjacent waters, the present workers of them shall be preferred, should they request to be allowed to continue their works within one year, and to extend them in the same time.

Article 163.

The President of the Republic will regulate the manner of

working substances of common utility referred to in Article 4, and in cases where mining properties have to be formed, in accordance with the second part of that article.

Article 164.

The President of the Republic is hereby authorised to dictate the necessary rules to facilitate the payment of the patent, sale of mines, census of mining properties, and the staff of engineers to inspect them.

Article 165.

The present Code of Mining Laws shall come into effect on January 1, 1889, and on that date the present laws and special pre-existing ordinances on mining, even in the parts in which they may not be contrary to this, shall be abolished.

Article 166.

The present owners of mines shall not be obliged to pay the patent on their properties until the date indicated in Article 133.

And whereas the Council of State has dispatched the foregoing, I do hereby approve and sanction it, and order it to be carried into effect in all its parts, as a law of the Republic.

(Signed) { JOSE MANUEL BALMACEDA.
JULIO BAÑADOS ESPINOSA.

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1890.

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CHILE.

REPORT ON

EUROPEAN EMIGRATION TO CHILE.

Presented to both Houses of Parliament by Command of Her Majesty, MARCH, 1890.

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No. 158.

CHILE.

SANTIAGO.

Mr. J. G. Kennedy to the Marquis of Salisbury.

My Lord, *Santiago, November* 20, 1889.

I HAVE the honour to enclose, for convenience of reference, copies of correspondence as published in the official Gazette of the 14th instant, on the subject of emigration from Europe to Chile.*

The first letter, dated Paris, May 2, is addressed by Señor Gandarillas, the Colonisation Agent-General in Europe of the Chilean Government, to Señor Matte, Minister for Foreign Affairs and Emigration.

In this letter the Agent-General expresses his satisfaction at having concluded on April 22 a contract with the firm of L. de Llanos, Keats, and Company, of Brussels, by which the latter undertake to recruit and forward to Chile 25,000 emigrants during the current year.

The Agent-General points out in detail the advantages to Chile of the conditions of the new contract, of the greater part of which I enclose a translation. He announces the suspension of the system of "contract colonists," and in the contract with the firm of De Llanos and Company he mentions the French, Austrian, Belgian, Swiss, Spanish, Italian (Piedmont and Lombardy), and Portuguese nationalities as suitable for emigrants.

In a letter dated Santiago, September 21, the Minister for Foreign Affairs requests the Agent-General not to forward more than 2,000 emigrants per month, and also not to send emigrants exclusively of the Spanish race, but rather to procure emigrants of the French, Saxon, and Lombard races, who are calculated to raise the standard of the labouring class in Chile.

In a further letter, dated September 27, the Minister for Foreign Affairs informs the Agent-General of the arrival in Chile of the steamer "Chandernagore," with 1,150 emigrants, but his Excellency points out that the great majority of these emigrants are Spanish, and unable to read or write, and that too many are

* "Diario Oficial de la República de Chile," Nov. 14, 1889. (In Spanish, not printed.)—ED.

clerks and shopboys, who are difficult to place. His Excellency further insists on the importance to Chile of receiving emigrants from England, Germany, Switzerland, Lombardy, and France.

I had proposed to address to your Lordship a detailed report on the subject of emigration to Chile so soon as I had acquired the necessary information, but the arrival in Santiago within the last few days of the first batch of British emigrants, who complained to me of the incorrect representations made to them by certain sub-agents in England, and also the knowledge that 600 British emigrants are now on their way to Chile, has caused me at once to call the attention of Her Majesty's Government to the subject.

The main complaint of the British emigrants who called upon me was against the delusive language held to them by the sub-agents of emigration, and also against the misleading information contained in a pamphlet supplied to intending emigrants by the firm of Llanos and Keats.

I beg to enclose copies of the pamphlets* in question, given to me by one of the emigrants, and to invite especial attention to the tables on pages 6 and 8, under the headings of "Chilean money" and "Salaries and wages." These tables certainly seem liable to mislead as to the real value of the Chilean currency.

As regards Chilean money, gold and silver coins are practically unknown. The only money in circulation consists of "pesos" (paper dollars), which at the present time are worth 25*d.* English money, and which, during the past six years, at least, have never been higher than 29*d.*, and have been as low as 21*d.*; so that emigrants should be told that the average value of the dollar in Chile is 25*d.*, and not 48*d.*, as is suggested in the pamphlet. Besides the pesos, or dollars, there are nickel pieces of 5, 10, and 20 cents. I would here mention, as a result of my own observation, that owing to the depreciation and fluctuation in the value of the paper dollar, and to the high rate of import duties, more articles of ordinary use, such as clothing, furniture, &c., can be bought for a shilling in England than for a dollar in Chile.

As regards the table of salaries and wages, the same error occurs, because the wages are evidently calculated on the basis of 4*s.* to the dollar.

Consequently, the amount given for wages may be halved, and even then the amounts are too high.

The wage given for farm labourers is stated in the pamphlet to be from 7*l.* to 10*l.* per month, whereas the ordinary wage is practically from 1*s.* to 1*s.* 6*d.* per day. These farm labourers are lodged in mud cabins, thatched with bulrushes, and receive beans, bread, and water for daily food.

Of course good agricultural labourers from England or Scotland, or men acquainted with dairy work and cattle-farming, who are willing on first arrival to submit to the discomforts of bad

* See pp. 5 and 14.—Ed.

food and lodging and small wages, may hope, within two years, or even sooner, to rise to a position of comparative ease, but, as a general rule, I would not encourage British subjects to try emigration to Chile; they are at a great disadvantage at first, as compared with Italians or Spaniards, or even Frenchmen, who pick up the language quickly, and accommodate themselves more easily to the customs and system of life of the natives.

The recently-appointed Minister for Foreign Affairs, Señor Castellon, to whom I have represented the difficulties experienced by British immigrants on arrival in Chile, has kindly exerted himself to find employment for those already here. His Excellency has also promised at once to suspend all further so-called free emigration from Great Britain, and to revert to the certainly better system of colonisation, by which emigrants come to Chile under certain conditions, and on arrival are provided with land and houses, a yoke of oxen, &c. Of these so-called colonists there are nearly 1,000 British subjects (inclusive of women and children) already established in the Province of Traiguen, and I have received on the whole a satisfactory report of their present condition and future prospects from the Bishop of the Falkland Islands.

In conclusion, I ask your Lordship's indulgence for this imperfect and hastily-written report, but I anticipate much trouble and bad feeling on the arrival of the announced 600 British immigrants, and I earnestly desire to beg Her Majesty's Government to warn British men and women against so-called free emigration to Chile.

I have, &c.
(Signed) J. G. KENNEDY.

P.S.—Since writing the foregoing I have received the enclosed Memorandum from Mr. Vice-Consul Thomas, of Santiago. Mr. Thomas's remarks, which seem to confirm and amplify my own, are the more valuable because of the great local knowledge and experience possessed by the writer.

J. G. K.

Inclosure 1.

Extract from the "Chilean Official Gazette" of November 14, 1889.

(Translation.)

Agreement.

Señor Francisco Gandarillas, Agent-General of Colonisation of the Chilean Government in Europe, in the name of the Government of the Republic on the one part, and Señor Luis de Llanos and Keats, manager of the firm or company of Luis de Llanos and Company, of Brussels, contract and stipulate as follows:—

1. The company binds itself to recruit on its own account and risk, and to transport to Chile to the port of Talcahuano, or to others which may be indicated by the Government of the

Republic during the course of the present year, 25,000 European emigrants, respectable men, single, or married, with families, under conditions hereafter specified, and of the following nationalities: French, Austrian, Swiss, Belgian, Spanish, Italians from Piedmont or Upper Italy, Portuguese, and others of different nationalities if necessary.

2. The emigrants will be recruited by the company, with the obligation that they must reimburse the value of the sea passage to the amount of 10*l.* per adult within the period of two years, and at the times fixed by the director of the Emigration Office in Chile, and they must also fulfil the following conditions: single men must be over 20 and under 40 years of age; married men, with families, must not be over 50 years of age; they must be day labourers, agricultural labourers, or of domestic trades, masons, carpenters, blacksmiths, mechanics, &c. They must all be healthy and strong, and must produce certificates of their trade and of good conduct. Single women, or those without families, are excluded.

3. In the ports of embarkation a delegate or representative of the General Agency will have the right to inspect emigrants, and to reject all such as, in his opinion, do not fulfil the conditions of age, or of health, or of others stipulated, and in that case the rejected emigrants will remain in the port at the charge and risk of the company, and without any responsibility on the part of the Chilean General Agency.

4. The emigrants will be transported in first-class steamers, and will receive on board the same board and lodging as passengers of the third-class on board Spanish, French, English, or Italian steamers, and can, moreover, take with them luggage up to 150 kilo. in weight.

5. At each embarkation of emigrants the company will prepare five lists of the passengers, with specifications of age, sex, trade, nationality, and condition, which lists shall be signed and sealed by the delegate or representative of the Chilean Agency.

6. Within fifteen days of the embarkation the company must present to the Chilean Agency in Paris the accounts and vouchers for settlement.

The payment of these accounts, which will comprise the amount of the road journeys paid by the company and that of the sea voyage as far as the ports of Chile, will be liquidated as follows:—10*l.* for each adult of 12 years and upwards for the voyage for a Chilean port; 5*l.* for those under 12 and above 8 years, and half the above for children between 3 and 8 years; children under 3 years to travel gratis.

Signed in Paris April 22, 1889.

(Signed) LUIS DE LLANOS and CO.

Inclosure 2.

General Information about Chile.

Geographical Situation.

Chile is situated at the southern extremity of South America, it is watered on the west and the south by the Pacific Ocean, on the east it is sheltered by the high chain of mountains called the Andes.

In its general aspect Chile bears a very striking likeness to the most fertile regions of Switzerland, Italy, or France; mountains alternate with tablelands, valleys, and plains, which permit the most varied cultivation, as we will show further on.

The territory of Chile extends over more than 37 degrees of latitude; its breadth is from 160 to 200 kilom. Its total area is 665,224 square kilom., that is to say, Chile is about one-fourth larger than Germany, the British Isles, France, or Spain, once and a-half larger than Italy, and sixteen times larger than Switzerland.

Population.

In round numbers 2,323,000 inhabitants was the population of Chile on January 1, 1884.

Relatively to the extent of cultivable lands there are only 6·79 inhabitants per square kilom. It is therefore seen that Chile can easily feed 40 to 50 millions more of inhabitants without taking into account the great fertility of the land, thanks to which this average number could be very much increased.

The most populous towns are Santiago, the capital, 225,000 inhabitants; Valparaiso, the chief port of Chile, 95,000; Concepçion, 19,000; Talca, 19,000; and Chillan, 16,000.

Climate.

The great extent of Chile between the equator and the pole gives to its various regions a temperature of rather considerable variations, but with the exception of the zone which extends to the north of the 24th parallel, it may be affirmed that the climate is altogether that of the temperate zone with a maximum of 32° centigrade, and a minimum of 2°. The great extent of coasts watered by the ocean and cooled by the polar current is no doubt the chief cause of that mildness of temperature for which no country on the globe can be compared to Chile.

These causes and the neighbourhood of the mountains contribute probably to freshen the air in the evening, so that even during the greatest heat of summer, people can rest comfortably after sunset.

Foreigners, Europeans especially, are easily acclimatised in Chile, where the extremes of cold and heat are nearer than in their countries. In consequence of the mildness of the climate in Chile, it never snows in the plain. Storms are also very rare, and accidents from thunder are unknown.

Epidemics and fevers are not prevalent in Chile. Never has yellow fever come nearer than Iquique in the provinces newly annexed; the freshness of the climate preventing its development in the country.

There are therefore no epidemics, no sun-strokes, no accidents through cold or thunder,—such is, in a few words, the admirable climate of that country where people scarcely use stoves or chimneys, and where in middle summer they can work in the open air and in the sun.

With regard to seasons in Chile, it must be remembered that they are the inverse of European seasons. Thus spring begins in September, and autumn in March. Corn is sown from May to August, and wheat is harvested from January to March.

Productions.

No country on the globe can present a list of products so varied as Chile; nature has been most bountiful for that remote part of the world, as if she had wished to compensate by her gifts for the great distance which separates it from the great centres of civilisation.

Without entering on long developments, which will come in their proper places, it may be affirmed that, as regards minerals, Chile furnishes all the products of any importance, from gold to iron, from nitrate of soda, which fertilises the impoverished lands of Europe, to sulphur and common salt. The fields admit of all the cultivations of Europe, from the rye and oats of the far north to the rice of Southern Italy. Potatoes grow to perfection, the same as the sweet potato of Spain; the cherry tree grows side by side with the orange tree and the olive tree. All fruits, all vegetables are found there, and possess flavours unknown in Europe.

The animal production of Chile is not less important; the cattle pasture in full freedom, and multiply with rare fecundity. Poultry pullulate everywhere, and serve as food for the poor; birds are as abundant in the woods as fishes in the rivers and in the great sea.

If we add to these products of nature those of an intelligent and active, though newly-born industry, we may form an idea of the wealth of that little people, frugal and industrious, where, in the memory of men, not one single case of death by starvation is known.

We end with a list of the divers agricultural products of Chile as a guide for the future European colonists:—

Cereals.—Wheat, rye, barley, oats, millet, maize.

Seeds or grains.—Haricot beans, peas, lentils, broad beans, hemp, flax, turnips, clover, colza.

Vegetables.—Cabbages, lettuces, chicory, asparagus, cucumbers, pumpkins, beetroots, turnips, radishes, onions, carrots, potatoes,

Fruits.— Cherries, plums, peaches, apricots, apples, pears, oranges, lemons, white cherries, strawberries, melons, water melons, walnuts, chestnuts, cocoa-nuts.

Animal Products.—Honey, wax, eggs, lard, dried meat, salt, tallow, wool, butter, cheese, leather, horn.

Mine Productions.

The inhabitants of the north provinces of Chile are mostly occupied in the extraction and expedition of mineral substances, and a great many are thus employed in the central provinces also, where there are important copper and silver mines, and in the southern region, where coal beds are plentiful. At least 350,000 inhabitants find thus a livelihood, and not a few make rapid fortunes by the discovery of some rich mineral veins in the unexplored mountains.

If it be true, as we have said, that all minerals are found in Chile, we must add also that they are not yet all utilised. Thus, to mention only one of the best known and the most useful, iron, is yet awaiting enterprising men and bold capitalists to set to work and reap benefits from the enormous masses of that metal which is found nearly everywere in the Cordilleras.

The value of these products exported in 1885 was 42,043,404 dol.

At the present time Chile is the only country producing nitrate of soda, commonly called Chilean nitrate, of which Europe and the United States make such a great consumption, either pure or mixed with guano for the fertilization of exhausted lands. Iode is a residue extracted from nitrate.

Generally the mining industry has attained in Chile a very high degree of perfection. The large mining companies have railroads and very efficient works, where foreign engineers, smiths, chemical workers, &c., find very advantageous posts. The works of the Nitrates Company of Antofagasta, which can compete with any in the world, the large copper-ore melting works of Tamaya, and the colliery and ore-melting amalgamated company of Lota, can be cited as examples.

All those products and mines are nothing, no doubt, in comparison with what the future has in store for Chile, for one can say that its mountains and its deserts are inexhaustible stores of substances little known, and the working of which has not been undertaken, because with the present means it would not be profitable. The high price of labour, owing to sparse population, is also a cause which delays the development of the mining industry. Nevertheless, it has been one of the sources of the prosperity of the country, and many towns and villages have risen in the midst of deserts exclusively from the working of mineral substances.

Industry.

Industry has not yet, in Chile, the same importance as in Europe. The working of the natural wealth of the country has absorbed almost entirely the capital and work of its inhabitants, who could not undertake everything at the same time. One may be sure, however, that if the population continues to increase as at present, and if foreigners, convinced of all the advantages they will find in

going to settle in so peaceful a country, come in great number, in the course of a few years Chile will be the greatest industrial centre of South America.

Nothing in effect is wanting to reach that end; raw material of all kinds is produced in the country, and sells at good prices. Metals, woods, wool, and silk are easily obtained; leather, grains, rags, and generally all kinds of products, whether mineral, vegetable, or animal, are within reach of manufacturers. And even tropical products, such as cocoa, cotton, sugar-cane, can easily be imported from the bordering countries, Peru and Bolivia.

The neighbourhood of those two countries is another reason to stimulate the establishment of the various industries in Chile, since of necessity they are, and will long remain, consumers of products exported from Chile, as is already the case with food provision.

There is a pretty considerable number of what might be called fundamental industries in Chile, as may be seen from the table given here which indicates the number of each of those industries:—

Saw mills	225
Starch works	40
Oil works	20
Coach-making	64
Breweries	80
Chocolate factories	5
Distilleries	100
Cabinet-making	45
Paper mills	3
Foundries, copper and silver	150
Tanneries	138
Soap works	65
Brick yards	300
Iron foundries	212
Printing and lithography	150
Corn mills	600
Bakeries	300
Shoe factories	50
Sugar refinery	1

Among those establishments there are some of the first order yielding very considerable incomes to their owners; but the country still wants many more industries, which render it dependent on Europe for sums amounting to many millions of pounds sterling.

The articles already produced in the country suffice for its consumption, and are even exported to a certain extent.

Railways.

Chile is in possession of 5,000 kiloms. (or about 3,000 miles) of railways, mostly double lines, as in Europe. The greater part are State lines.

Tramways.

Chile possesses also tramways in a few towns. In Valparaiso they have been established since 1859, when they were totally unknown in Europe. The tramways of that town and of the capital run over a distance of more than 66 kiloms.

Postal and Telegraph Service.

Chile is in telegraphic communication with all the world by means of two cables, one connected with Panama, whence people can communicate either with Europe or with the United States, China, or Japan; the other connected with Monte Video, on the Atlantic Ocean, for special connection with Europe.

The interior of the country is crossed in all directions with a vast network of telegraphic wires, extending from the 19th, at Pisagua, to the 42nd, at Ancud, and branching off to all the villages of any importance.

Besides the State lines, private lines are developing considerably.

Telephonic communication connects the divers suburbs of the principal towns, and even of the near villages. They are especially used for communications between offices, factories, warehouses, and for the police service.

Political Organization.

Chile is a centralized and non-federal Republic. The Government is representative. It is under a Constitution promulgated in 1833, but which has undergone numerous amendments. The Government is steady, there have been few civil wars, education is cared for, good schools have been provided by the State, all religions are respected.

Valparaiso.

As a town, Valparaiso displays all the activity of a large commercial port. Everywhere are to be seen offices, shops, warehouses, of all kinds; a large quay, goods ready to be loaded, docks with powerful hydraulic cranes for the loading and unloading of ships; tramways crossing the town in several directions; railroads on the shore, taking inland the goods from the ship.

Of course all languages are spoken, since vessels from every part of the world enter that port. English appears, however, to predominate, and on going along the hills, on which the town partly stands, forming an amphitheatre, one meets picturesque cottages, revealing clearly British influence.

The houses are pretty fine and well built of stone or bricks, and there are a good many public buildings rather important, such as the custom-house, railways' terminuses, the National Bank, and that of Valparaiso, &c.

Santiago.

Situated at the bottom of the Valley of Mapocho, Santiago, the capital of Chile, is surrounded by mountains of different altitudes, which, during a few weeks of the year, encircle it with a snow belt. At the very end, to the east, are the first spurs of the Andes with the elevated pics of San José (5,532 metres) and the Maipo (5,384 metres). To the west the ramifications of a middle chain between the Great Cordillera and that of the coast. To the north, and in the very suburbs of the town, the San Cristobal with

its quarries; and, lastly, in the very centre of the town the picturesque Santa Lucia, transformed into a beautiful park by public subscription, amounting to nearly 100,000*l.*

The town is more than 8 kiloms. in diameter, and covers an area of 40 square kiloms. It contains a population of at least 240,000 inhabitants.

Santiago is the junction of two trunks of railways; the north and the south lines, both of which have a common terminus at the west of the town. It is crossed in every direction by tramways, enabling people to go from one end of the town to the other for the moderate fare of one penny.

Private mansions worth more than 20,000*l.* are numerous, houses worth 10,000*l.* are numbered by hundreds, more than 2,000 private carriages circulate comfortably in well-paved streets, and the pavements and public walks are kept in beautiful order.

Among the remarkable buildings we must name "La Moneda," a governmental palace, where the Presidency, the Ministries, and the Treasury are established; the Congress Palace, where both the Senate and the Representative Chamber hold their sittings separately, with a large Hall of Honour for the general sittings of Congress; the Town Hall, the Exhibition Palace in the fine park where the Astronomical Observatory and the Institute of Agriculture are situated, &c., the large building in the central square of the town, the principal part of which is occupied by the English hotel, the Cathedral, and the Dominican Church recently finished, and, lastly, the Gallery of San Carlos, which, although not the most frequented, is yet the finest in the town.

The theatre in the Town Hall of Santiago is, by its richness and elegance, one of the finest in the world. Italian operas are generally performed every winter.

Chilean Money.

The monetary unit of Chile is the piastre or dollar ($1), the nominal value of which is 4*s.* in English money.

Chilean coins are of gold, silver, and nickel; they are classified as follows:—

	Value.	English.
	Dollars.	£ *s.* *d.*
In gold—		
Condor	10·00	2 0 0
Doblon	5·00	1 0 0
Escudo	2·00	0 8 0
In silver—		
Peso (piastre)	1·00	0 4 0
Medio peso	0·50	0 2 0
Quinto (franc)	0·20	0 0 11
Decimo	0·10	..
Medio decimo	0·05	..
In nickel—		
Dos centavos	0·02	..
Un centavo	0·01	..
Medio centavo	0·005	..

There are also in circulation State notes, and a few Banks have been authorized to issue Bank notes, of the value of 1, 2, 5, 10, 20, 50, 100, and 1,000 dollars or pesos.

Usually Chilean money losés in changing for foreign money. Foreigners arriving in Chile must therefore ascertain the actual rate of exchange.

Foreigners.

A French gentleman who has long resided in the country writes in a small book, "The Future of the European Emigrants in Chile," as follows:—

"I have already said that the Chileans receive the foreigner with a noble and generous hospitality; I must add that they protect him so much as to give preference to his works over those of their own countrymen, and that they always pay him handsomely. Everywhere foreigners are considered, and they are never looked at with suspicion or ill-feelings by the peasant, as is generally the case in other countries, in fact, they are liked and respected.

"At the same time I must add that foreigners living in Chile are worthy of that consideration, since Chile has been so fortunate as to receive an immigration composed of elements far superior to those of the other South American States. One will be convinced of this by the prison statistics, which show that in the course of one year only 120 foreigners have received sentences, and these only for offences common in seaports and amongst sailors.

"Foreigners occupy in commerce and industry a very prominent and wealthy position.

"If honest and industrious, foreign workmen do not work long as such, and soon set up on their own account in that country where no foreigner is ever seen—as is the case almost everywhere else—depending on casual jobs and errands for a living.

"The English colony is very numerous; the most important commercial houses of Valparaiso are English, and some of them have capitals amounting to a million of money.

"The English have also very large nitrate works, metal foundries, mines, &c. They own also large tea and preserve warehouses.

"They have founded in Valparaiso, which is their centre, educational establishments which even in London would be considered as being of the first order.

"English benevolent societies are the most numerous and the richest."

Immigration.

Immigrants have the choice of landing in Chile, either at Talcahuano or at Valparaiso. At landing they will receive every assistance by the Government Agents, free, to find immediate employment.

It is through Talcahuano that one reaches the new Colonies, the town of Concepçion, the commercial centre of the region, and

the agricultural provinces of the south. From Valparaiso one reaches the capital and the central provinces; it is there that the chief factories and the best cultivated lands are found.

Immigrants who wish to find situations as agricultural labourers are sure to obtain, beside their wages, a house, certain articles of food, and a piece of land—from three to five acres—for their private use.

Emigrants should always take with them the tools adapted to their professions, because, although such might be found in the new country, they are much dearer than in Europe. All immigrants are sure to earn a living, and to save money, so as to improve their position after a few years; but they must resolve to work well. The Chilean workman is strong and not without skill, but he is improvident, and slow to learn. Therefore, people must not imagine that money needs only picking up. Not so! Chile is not an Eldorado of imagination; it is simply the most peaceful country of America, and one of the most fertile in the world—a country where everybody works, and where it requires only a provident mind to become rich.

It should be also remembered that the evils inherent to the European working classes do not exist in America, since their original cause – abject poverty – is unknown. There people live comfortably; they see their wealth increase; they rise easily to a more elevated social position; they can afford to give their children a good education. There are in Chile neither kings nor nobles; everybody has the same right to consideration, provided they are well-behaved and educated. Every citizen has a right to vote or be elected; every facility is given to whoever wishes to become a citizen.

Immigrants will find in Chile every facility to become landowners, or to hire land, if they bring enough capital to buy implements, animals, &c.

If they have but very limited means, they should go in situations for a few years as farmers or labourers. Farming, after paying interest to the landowner, gives very fine profits, with little capital, because the owners generally provide the cattle and labour implements.

Very advantageous arrangements are also made for the production of cheese and butter, by taking milk at a low price and sharing the profit with the farmers. Such-like arrangements are also entered upon for bee-keeping and market gardening.

Salaries and Wages.

We think it useful also to give those wishful to emigrate some idea of the salaries that are given in different trades or professions, saying at the same time that these figures cannot always be rigorously exact, as there is nothing so fluctuating as wages. Workers by the day or by the month are often boarded, in that case a (*b*) will follow :—

	Per Day.
	s. *s.*
Masons and bricklayers	8 to 12
Carpenters	8 „ 12
Cabinet-makers	8 „ 16
Joiners	8 „ 16
Blacksmiths	8 „ 15
Tinmen	8 „ 12
Saddlers	8 „ 12
Boilermen	8 „ 12
Bakers..	6 „ 8
Carvers	8 „ 16
Coopers	8 „ 16
Engine-drivers	10 „ 16
Fitters	10 „ 20
Founders	8 „ 20
Mechanics	6 „ 16
Rivetters	8 „ 16
Painters	8 „ 24
Turners	8 „ 16

	Per Month.
	£ £
Farm labourers (*b*) .. .. from	7 to 10
Ironworkers .. .. .. „	10 „ 16
Gardeners (*b*).. .. .. „	6 „ 10
Men servants (*b*) .. .. „	7 „ 10
Coachmen (*b*).. .. .. „	6 „ 10
Stokers .. .. .. „	8 „ 12
Miners.. .. .. .. „	8 „ 12
Millers .. .. .. „	6 „ 10
Navvies .. .. .. „	6 „ 8
Cheesemakers (*b*) .. .. „	5 „ 8

Naturally divers arrangements are also made according to trade; for instance, to share in the profits or receive a plot of land, &c.

All emigrants are sure to earn a living in Chile, and to save money, so as to improve their position after a few years; but they must resolve to work well. Artizans of all classes, as well as common workmen, will find good situations, as hands are scarce. On that account the assisted passages are granted to those who present good references from late employers.

Steamers for the Voyage.

M. Henry Bordes, Manager of La Compagnie Bourdelaise, of Bordeaux, has undertaken to provide the necessary steamers to carry emigrants with assisted passages to Chile. Ship's kit, good, abundant cooked food, and every attendance will be provided on board. If the required number is collected, a steamer will call at the most convenient port to embark English and Scottish emigrants about .

Two weeks' notice will be given beforehand.

Emigration to the Republic of Chile.

Assisted Passages.

The Chilean Government is granting a limited number of passages in favour of the working classes of Europe, that, struggling under the difficulties caused by over population, may desire to better their conditions, to earn an easier living, and to save some money. Chile offers a fertile and extensive soil, healthy climate, high wages, cheap living, hospitality, security, and free institutions.

Persons Eligible.

The class of persons eligible are agriculturists, labourers, farm servants, gardeners, road makers, miners, quarrymen, navvies, carpenters, bricklayers, stonemasons, blacksmiths, cabinet makers, builders, railway men, boiler makers, coachmen, grooms, carvers, coopers, fitters, founders, gunsmiths, gasmen, stokers, rivetters, turners, tanners, &c. All adults must be capable of labour. Single men have to be from 18 to 40 years of age; married men must not exceed 50. The separation of husbands from wives, and of parents from children under 15, will in no case be allowed. Single women cannot be taken without their parents, unless they go under the immediate care of some respectable married couple. No applicant will be accepted without a certificate of good character.

Applications and Approval.

Applications must be made in the forms provided by this office; they must be duly filled up as explained in them, and then forwarded to Messrs. L. de Llanos y Keats and Co., or to any of their authorised agents, together with a certificate of good character signed by a local authority, minister of religion, or late employer.

The filling up of the form confers no claim to a passage unless the candidates are approved by this office, and in this case they will receive a passage as soon as arrangements will permit; but applicants must not give up their employments or break their homes until they have received notice of the ship in which they have to embark, and when and where they have to join her. This notice will be sent at least two weeks beforehand.

Conditions.

The passage money to Chile is 12*l.*, out of which 10*l.* are advanced by the Chilean Government, and the remaining 2*l.* have to be paid by each adult emigrant; 10*s.* on booking, and 1*l.* 10*s.* on receiving passage ticket. Special reductions are allowed for families. Should it be found that the signature of the certificate is not genuine, or that any other deception is attempted, the application will be rejected; or should anyone, on

personal examination at the port of embarkation, or on board, be discovered to have made any misstatement whatever with regard to age or occupation, such persons will not be allowed to proceed in the ship. If at the port of embarkation it is found that persons receiving these passages, they or any of their family, are not in a fit state of health to embark, or have any bodily or mental defect likely to impair their usefulness as labourers, they cannot be received on board the ship. If any persons fail to attend at the appointed time and place for embarkation, or to proceed in the ship, or are rejected by any of the reasons specified in the preceding directions, they will not be able to claim a passage by any future ship, and the money paid will be forfeited, except in cases of sickness or death, on producing authentic proof. In case an applicant be not approved, all moneys paid by him will be returned. No fees to be paid to agents for booking forms and information supplied.

The Voyage.

Is one of the finest in the world. Abundance of cooked food, provisions, and medical attendance will be provided on board. Emigrants should bring sufficient clothing, towels, shirts, sheets, stockings, flannel shirts, shoes, slippers, and one straw hat for each; at least two complete strong suits for each male, and two cotton dresses for each female; flannel waistcoats and outside coat for children; and one comb and brush for each person. The larger the stock of clothing the better for health and comfort during the voyage, which will last about thirty-six days. Two or three coloured serge shirts for men, and an extra supply of flannel for women and children, are strongly recommended. As linen and clothing in general are rather expensive in Chile, it is advisable to take out as much as possible. It is desirable that parties should take out with them the necessary tools of their trade, avoiding bulky implements or furniture. Baggage must be divided into two or three boxes, the contents of which must be closely packed, and the owner's name should be painted thereon in white paint, with that of the ship and the port of destination. Each party will be allowed to take only its own baggage, and must draw out a list of all their effects and implements, to hand it over to the Government officials. Goods which are not for personal use and working purposes will be subject to customs duties.

On arrival, emigrants with advanced passages will be at perfect liberty to engage themselves to anyone, and to make their own bargain for wages; they are only bound to refund the balance of passage money of 10*l.* for adults over 12 years, 5*l.* from 8 to 12, and 2*l.* 10*s.* from 4 to 8. The passage money has to be paid within two years from the day of arrival by half-yearly instalments, and as a security, a promissory note will have to be signed at Chile on these terms, in favour of the Director of the Information Office. No interest has to be paid for the advance, and no pressure is to be put for payment.

Advantages Offered.

Every emigrant is entitled to 300 lbs. weight of luggage free of charge on board the ship, and children according to their age. Implements and tools are also free of charge, provided they do not exceed 300 lbs. weight. Emigrants and their luggage and tools are transported free of any charge by the Government railways in Chile. On landing, they are attended to by Government Agents, and so they have nothing to pay in the shape of fee for information and assistance they will receive to find immediate employment. Artisans, as well as labourers, are sure to find easily good situations, as hands are very scarce in the country, and skilful workmen command high wages.

Good land can be bought from the Government at very low prices, and long terms of payment.

Caution.

Messrs. L. de Llanos y Keats and Co.'s authorised agents in Great Britain are:—Messrs. Sandall and Son, Southampton; Messrs. Wells and Holohan, Dublin; Mr. P. Fleming, Dundee; Mr. John H. White, Grimsby; Messrs. Abel Lloyd and Co., Leith; Mr. Robert Davison, Aberdeen; Mr. Campbell, Inverness; and Mr. Wilson, Paisley.

Applicants wishing to sail by steamer leaving in September next must send their application without any delay. The steamers are provided by M. Henry Bordes, of the Compagnie Bourdelaise of Bordeaux. Steamers will call at the most convenient ports, according to the number collected in each agency.

L. DE LLANOS Y KEATS AND Co.,
Contractors to the Chilean and Argentine Governments.
4, *West Nile Street, Glasgow.*

Inclosure 3.

Memorandum by Vice-Consul Thomas.

In a conversation which Mr. Consul Newman had with his Excellency the President on June 3 last, his Excellency said that his Government was about to suspend further emigration of colonists proper to colonise Arauco and elsewhere in the south of Chile. This had proved both expensive and unsatisfactory as to results; they would encourage free emigration instead, and only import individuals who could be of general use in the country, such as masons, carpenters, mechanics, &c. This branch of emigration had given the best results, and they would, therefore, limit themselves to it in future.

The foregoing was the result of a complaint presented by Mr. Newman on the part of several colonists who had represented to him and to me that they had not been put in possession of their grounds, tools, materials for buildings, and cattle, &c., in the terms promised to them in England by the sub-agents of the

Chilean Emigration Agency in Europe. These were all British subjects, some of whom subsequently returned to England—amongst them were two families who had been actually ruined by coming to the country, induced by the false statements of the Chilean agents in England as to the value of the paper currency, price of labour, and provisions, &c., and for whom I obtained the means of returning to England to keep them from starving here. Another, a farm bailiff, was sent home through Mr. Newman's efforts, and another worked his way back in the stoke-hole of the "Britannia." Eleven men, all respectable engine-drivers and helpers, from the Midland Railway principally, came to me one morning saying that they were free emigrants sent out by Messrs. Druilly and Wharton Peers Jones, that they had been a fortnight in the country without being able to find work, and demanding to be sent back at the Chilean Government's expense. On board the steamer—the "Britannia"—which brought those poor fellows out, there were five contracted engine-drivers from England and Scotland for the States' railways here. I found employment for nine of these through the Public Works Department, but my friends in that Department only made work for the men to prevent these from returning to England, and not because they were at all wanted. I could cite many other examples, but the foregoing will be sufficient to show the want of system existing in the arrangements at present in force relative to emigration generally. Chile in this matter has been trying to emulate the Argentine Republic, without possessing the facilities and room of the latter for carrying it into effect. There is plenty of room in that country for agricultural employés of every description, and for mechanical labour to a considerable extent; but it is not so here. There are no industries in Chile which require skilled foreign workmen, and when the necessity occurs the owners and managers of those which exist contract these *ad hoc* through a friend or agent in Europe, and very seldom go to the Chilean Emigration authorities there to supply their wants, experience proving that those agents are not very scrupulous as to either the capacity or health of the workmen sent out by them.

Again, there is no adequate place prepared to receive emigrants in Valparaiso and Santiago. Here the only place in which they are lodged is the police barracks, in which there are no separate rooms for families, and the emigrants, men, women, and children, must all sleep on the long police benches or on the floor; the result being that the weakest of them fall sick soon after their arrival, in a large number of cases.

On the other hand, there is a counter emigration of Chileans and others, from here to the Argentine Republic; and the great mass of workmen here are becoming alarmed as to their future if this emigration is persisted in. As a means to prevent this, a mass meeting, presided over by the most respectable of the working classes of Santiago, was held in the Alameda on Sunday last, at which several hundred men energetically, but in respectful order, protested against the proceedings of the Government in this

matter; and came to resolutions, which are to be presented to his Excellency the President, a copy of which I annex, which show that those workmen know a great deal more about the question than the Government itself. Those resolutions tell their own tale, and need no comment here, unless it be my confirmation of them.

A result of this new phase of Chilean emigration is the recent contract entered into in Paris, April 22nd last, between the Chilean General Emigration Agent and Messrs. Luis de Llanos and Co., of Brussels. British subjects are not directly included in this contract, but they are especially mentioned in a document I refer to farther on.* French, Austrian, Belgian, Swiss, Spanish, and Italian emigrants are specially mentioned in the contract, but these must be labourers, agriculturists, masons, carpenters, blacksmiths, mechanics, &c., to be imported into this country up to 25,000 in number during this year. There is not room for one-tenth of this number in the country, nor will there be such room for many years hence. The new States' railways are in course of construction. There might possibly be room in these for 2,000 or 3,000 navvies, and, perhaps, 100 or 200 mechanics, but the contractors for these railways have the right to import special employés for this work up to 5,000 in number, and they have already taken steps through their own agents in Europe to do this.

The Chilean Government declares itself to be entirely free from any responsibility with regard to emigrants, beyond that of paying their passage to this country. It does not oblige itself to find work for them, and if its agents here are not successful in doing so within a fortnight after their arrival, they are turned into the streets to look after themselves, and to make room for the next detachment of unfortunates, who will suffer the same fate; those who do not know the language being naturally the greatest sufferers.

The Chilean Agent in Paris, referring to the contract in his despatches to his Government on May 2nd last, expresses his particular satisfaction at having made the contract referred to, and says that he confirms his cablegram, saying: "Contract signed, assuring recruiting and dispatch of 25,000 emigrants this year at actual price, they being obliged to reimburse passage money. Dispatch of colonists suspended.—GANDARILLAS;"—and he goes on to call the special attention of the Minister of Colonisation to three particular points in the contract, viz.:—

"1. That it saved him from the expense of recruiting, which was both troublesome and improper on the part of a Government, and which, when affected by authorised agents, is considered as a low and inhuman office; an operation that, notwithstanding all the care which may be taken, the agents persist in attaching the name of the State which they serve, to the great detriment of the prestige of the latter.

"2. That the emigrant is delivered in Chilean ports, free of

* See p. 20.—ED.

all risks for the nation for deaths, desertions, and wrecks, and without the slightest responsibility for the maintenance of the emigrants in any circumstances of their voyage.

"3. We hold the power to exclude at the embarking ports all the emigrants who do not fulfil the specified conditions of age, health, &c.

"This last point is a most important one, because at present the emigrants arrive at the ports of embarkation with fixed contracts, and there is no means of excluding them, however unfit they may be.—(Signed) FRANCISCO GANDARILLAS."

This particular satisfaction, and the three points translated, were not at all echoed in the Foreign Office here, inasmuch as the Foreign Minister, M. Edward Matte, on September 21st last, informed M. Gandarillas that on repeated occasions telegraphic instructions had been sent to him not to send more than 2,000 emigrants monthly; and that if there were room for more he would be immediately instructed to send them; that the Government had a lively interest in maintaining a powerful current of emigration, and that this interest should not be prejudiced by sending more than could find employment, and also that the emigrants should not be only Spaniards, but of other and better races in habits and customs.

M. Matte added, in despatch to M. Gandarillas on September 27th last, that the steamship "Chandernagor" had arrived at Talcahuano on the 22nd of that month with 1,150 emigrants; that these had been distributed between Concepcion, Talca, and Santiago, and that one-third of this number had already found employment. That, although the nature of the Llanos contract did not facilitate the realisation of all the wishes which might be entertained on the subject, he (M. Matte) thought it convenient to make the following observations for M. Gandarillas's guidance in sending out future detachments:—

"1. The difference between those who do and do not know how to read and write is very considerable. Of the 793 at present in Santiago, only 172 persons know how to read, and very obvious reasons show that this branch of the business should be well looked after.

"2. Not a few employés such as merchants and clerks arrive, and these individuals, besides their exaggerated pretensions, meet with other serious obstacles in obtaining employment. The number of this class of emigrant should be reduced to minimum.

"3. Others arrive so old as to be useless, and although these are not many, none whatever should be sent out in this condition.

"4. The 'Chandernagor' did not even bring a classified list of its passengers, nor the provisional contracts of these to reimburse the cost of their passages, which they ought to have signed before leaving. The absence of the first of these documents has given the Central Office both excessive and useless work.

"With regard to the nationality of the emigrants in my note of the 21st instant, I pointed out to you the real convenience

of augmenting the number of those who do not belong to the Spanish race, and I insist on this point, because even if other nationalities feel embarrassed at first with the language, they possess instead solid advantages in themselves and for the country. The few emigrants of the Saxon race who have been sent out during the year have quickly found lucrative employment, and nearly all these brought with them the not insignificant sums of 25*l.* and 30*l.* each. You should, therefore, send in future detachments of Germans, English, Swiss, Lombards, and Frenchmen. Before concluding, I should also point out to you that female cooks find rapid employment. These are not fixed orders, but important indications for your future guidance.

"(Signed) EDUARDO MATTE."

I have only to disagree with M. Matte in one point in the foregoing, and this is, his recommendation to send out English emigrants. This is a great mistake in my opinion, and is proved by experience. The English emigrant is at the same time the best and worst of any which could be imported to this country. He is the most civilised of them, and consequently he brings with him a fund of physical and moral strength which would do immense good to the country in the long run if they could find room for him, and treat him as he deserves and is accustomed to be treated. But for those same reasons he is the most expensive, the most difficult to provide for during the first period of his life here, and because he is a good workman, who occupies all his time in gaining a livelihood for himself and family, if he has one, which is generally the case, he has neither time nor disposition for learning the language, which is of all his greatest difficulty.

I would call special attention to the pamphlets issued to intending emigrants in England by the Chilean emigration agents. These are simply a tissue of misrepresentations and statements with respect to the country, its wants, industries, and price of labour. The dollar is only worth 2*s.* (2*s.* about), and not 4*s.*, as stated therein. An ordinary labourer earns from 80 cents to 1 dollar per day of 10 hours' work, which is much less than his ordinary wages at home. A good blacksmith or mechanic can earn from 3 to 5 dollars per day, which is not more than he makes in England under ordinary circumstances; and the means of living here, specially clothing, cost from two to three times as much as in England. House rent is four times as dear, and there are no decent workmen's cottages anywhere in the country.

In view of all the foregoing, which is simply a statement of matters as they exist at present, I would strongly urge upon Her Majesty's Government the necessity for taking every possible means to prevent British emigration to Chile for the present, and until room for such emigration is found here. In the meantime, I shall only be too glad to advise intending emigrants to the country in particular cases as to whether they should come, or stay comfortably at home.

(Signed) W. HENRY THOMAS.

Santiago, November 20, 1889.

(75 3 | 90—H & S 803)

FOREIGN OFFICE.

1889.

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REFERENCE TO PREVIOUS REPORT [C. 4738], Commercial No. 11, 1886.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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1889.

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No. 148.

Reference to previous Report (*C.* 4738), *Commercial No.* 11, 1886.

FRANCE.

PARIS.

The Earl of Lytton to the Marquis of Salisbury.

My Lord, *Paris, October* 31, 1889.

I HAVE the honour to transmit herewith to your Lordship a Report by Mr. Crowe on the subject of the Strikes in Northern France.

I have, &c.
(Signed) LYTTON.

Mr. Crowe to the Earl of Lytton.

My Lord, *Paris, October* 29, 1889.

A strike of colliers, which began early in the present month at Lens, in the Pas de Calais, is about to come to a close. The colliers struck for higher wages, and succeeded in obtaining an increase of 10 per cent to their pay. According to the statistics of mining in France, the output of coal has increased greatly since 1885.

The figures are as follows:—

YIELD of Coal.

Year.	Tons.
1885	19,511,000
1886	19,454,127
1887	20,809,982
1888	22,513,621

The returns for 1889 gave a yield during the first six months of 11,696,020 tons, equal to at least 23,392,040 tons for the year. A large part of this increase is due to the expansion of business in the collieries of the departments of the Nord and Pas de Calais, where the strike broke out. The quantity of coal extracted from that field is now very large, viz:—

Year.	Tons.
1885	9,710,220
1886	10,442,000
1887	11,317,428
1888	12,364,085

The figures for 1889 may be estimated from the output of the first six months at 13,043,920 tons. Whilst the yield increased, prices at the pit's mouth for a time gave way, falling from an average of 11 fr. 73 c., or 9*s.* 4½*d.*, in 1885; to 11 fr. 27 c., or 9*s.*, in 1886, and 10 fr. 67 c., or 8*s.* 6½*d.*, in 1887. After 1887 there was a rise, which, coupled with an increased demand, caused the miners to ask for higher pay and better treatment. It will be seen that the quotations for coal at the pit's mouth are much higher than those of any collieries in other parts of the world. The high prices of coal which rule in France are thus of importance, as showing that the financial burdens of mining companies must be very large. In truth, it seems no light matter that coal mines, which, as we shall presently see, are not yielding more than a net profit in the aggregate of 1,360,000*l.* a year, should have to pay in dues ("redevances") to the State alone 100,000*l.*

The consequence of this and similar burdens has been that the number of collieries worked in France is altogether out of proportion to the number of concessions granted, and the collieries which pay dividends are on the whole but few as compared with those which give no returns of any kind whatever. It may be stated shortly that the concessions of coal mines in France were 636 on January 1, 1888, and covered an area of 557,178 hectares, equal to 1,397,000 acres. Of these, only 291 concessions were worked over an area of 356,558 hectares (855,939 acres), and only 163 collieries earned dividends, whilst 129 were carried on at a total loss of about 4,000,000 fr., leaving a general profit on coal mining in France, for 1887, of 34,000,000 fr. (1,360,000*l.*). The number of persons—men, women, and children – employed in and about coal mines, does not much exceed 100,000 throughout the whole of France.

Statistics show a slight decrease between 1885 and 1887, viz:—

	Hands Underground.	Hands Overground.
1885	73,583	28,033
1887	70,628	29,369

Exact figures to prove an increase which took place in 1888 and 1889 are not as yet attainable.

Wages ruled as follows:—

	Total Wages.	Daily Average Wages.
	Fr.	Fr. c.
1885	105,869,000	3 72
1887	107,087,760	3 56

We shall presently see that this average pay of 3*s.* and 2*s.* 10*d.* has been exceeded.

We have, meanwhile, to register what the daily underground wages of collieries are as compared with those of men above-ground.

The former were, for all France—

	Fr.	c.		*s.*	*d.*
1885	4	06	=	3	3
1887	3	80	=	3	$0\frac{1}{2}$

The latter—

	Fr.	c.		*s.*	*d.*
1885	2	86	=	2	$3\frac{1}{2}$
1887	2	80	=	2	$2\frac{7}{8}$

For the Nord and Pas de Calais, to which our attention is at present more particularly directed, the figures are:—

AVERAGE daily wages, underground.

	Fr.	c.		*s.*	*d.*
1885	3	93	=	3	$1\frac{3}{4}$
1887	3	86	=	3	$0\frac{3}{4}$

DAILY average wages, overground.

	Fr.	c.		*s.*	*d.*
1885	2	83	=	2	3
1887	2	80	=	2	$2\frac{7}{8}$

The general rate of underground wages at the time of the Lens strike has been given at an average of about 4 fr. 25 c. per diem. The higher pay in the ways was between 4 fr. 50 c. and 5 fr.; the lowest, about 3 fr. These figures represent, in English money, 3*s.* $7\frac{1}{2}$*d.*, 4*s.*, and 2*s.* $4\frac{3}{4}$*d.* There is reason to believe that in some parts of the coal country higher rates even than these had been conceded by some companies. In one of the concessions, in which no strike occurred—the concession of Ostricourt, near Douai—the directors refused an advance on the ground that they had raised the wages of their men by 15 per cent. within the previous six months. Elsewhere, the companies had not been so ready to grant an advance; but even at Lens the average daily pay seems to have been little below 4 fr. 50 c. a day (3*s.* $7\frac{1}{8}$*d.*). The number of men employed in eight pits of the Lens Company had increased from 5,000 in 1885 to 5,700 in 1889. On October 12, 2,742 of these people struck. What they wanted was a scale of wages of 5 fr. 50 c. (4*s.* $4\frac{3}{4}$*d.*), 4 fr. (3*s.* $2\frac{3}{8}$*d.*), and 3 fr. 50 c. (2*s.* $9\frac{5}{8}$*d.*), for the different classes of underground colliers. They had had of late much overtime; they required the abolition of compulsory overtime. They also claimed exemption from fines for non-attendance, or late hours, and the privilege of residence in the company's miners' dwellings for the widows of deceased colliers.

The Lens Company offered at once to concede the least important points. They consented to reduce fines from 2 fr. to 1 fr. They proposed to make overtime optional, and payable at an increased rate, say one hour and a quarter's wages for an extra hour; but, on the question of wages, they would only promise to give as good wages as were paid in any part of the Pas de Calais. At Courrières, where meanwhile the strike had

also broken out, the coalowners offered an advance of 7 per cent.; and this gave an additional impulse to the movement, which went on extending as the men showed less and less inclination to listen to the offers of the masters.

On October 12th the number of men on strike was 3,500. The Lens Company then declared its readiness to grant an increase of wages of 25 c. (3*d.*) per man per diem. The men insisted on an increase of 50 c. (6*d.*). On October 14th there were 5,700 miners out, and these numbers gradually increased on the 19th to 15,000 men, belonging to 25 pits, in the coalfields of the Nord and the Pas de Calais. On October 20th the Lens Company, and the representatives of 14 other companies, including Aniche and Anzin, met at Douai, and passed a resolution granting an advance of wages of 10 per cent.

The men at Lens and the colliers of the Pas de Calais generally resumed work on the 20th, at the rates offered by the masters; but some of the men at the pits about Douai held out for an advance of 20 per cent. The strike is not at an end yet at all points. It is gradually extending into Belgium. But hopes are confidently entertained that work will be completely resumed on the French side in a very short time. The rise of wages in the Nord and Pas de Calais will, it is said, be equal to an annual amount payable by coalowners of 7,000,000 fr. (280,000*l.*).

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No. 159.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

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REPORT ON THE FRENCH COUNCILS OF PRUD'HOMMES.

Presented to both Houses of Parliament by Command of Her Majesty, MARCH, 1890.

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1890.

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No. 159.

FRANCE.

PARIS.

Earl of Lytton to the Marquis of Salisbury.

My Lord, *Paris, February* 13, 1890.

With reference to your Lordship's despatch of the 3rd ult., I have the honour to transmit herewith a Report which I requested Mr. de Bunsen to draw up, during the indisposition of Mr. Crowe, on the subject of the French Councils of Prud'-hommes.

I have, &c.
(Signed) EDWIN H. EGERTON.

Report on the French Councils of Prud'hommes.

Definition. The French Councils of Prud'hommes are local boards elected for the settlement of disputes between master and workman as to wages, contracts, or other matters of contention.

Origin and functions. They date from 1806, when a council was formed for the district of Lyons, and their functions have been successively enlarged and revised by a series of statutes, the most important of which are the decree of May 27, 1848, and the laws of June 1, 1853, and February 7, 1880.

It is their duty, if possible, to terminate the disputes brought before them by a friendly arrangement between the parties, and, failing this, to pronounce judgment.

How created. They are created, at the request of the local Chamber of Commerce, by a Government decree, which must specify exactly how many Prud'hommes are to make up the council (six being the minimum, not including the president and vice-president), over how many communes their authority is to prevail, and what industries are to be subject to it. Thus, for instance, the Lille council consists of 24 Prud'hommes, eight (*i.e.*, four masters and four workmen) for each of the three categories—tissues, metals, and miscellaneous—into which the industries concerned are divided.

Trades subject to.

Under existing legislation only such trades may elect and be subject to these bodies as are concerned in the transformation of materials; manufacturers, carpenters, and masons, for instance, falling within their competence, while shopkeepers, merchants, and clerks lie without it. It is held that mines and railways are not included, and one of the main objects of the reformers of this institution is to extend its functions to all trades and industries indiscriminately.

Time and place of election.

The time and place of election is determined by the Prefect of the Department, to whom the lists of electors have been previously submitted by the mayors of the communes. Masters and workmen are represented on every council by an equal number of Prud'hommes. They hold, therefore, separate meetings for the election of their respective representatives. The suffrage is given to all masters and workmen ("patrons," "chefs d'atelier," "contremaitres," "ouvriers") belonging to the specified trades, who are over 25 years of age, and have resided at least three years in the locality. The same are eligible as Prud'hommes after 30 years of age, provided they can read and write. They are chosen by an absolute majority of all the voters present, or, if no absolute majority is reached at the first ballot, by a relative majority at the second.

Election of president, &c.

After election the Prud'hommes hold a general meeting for the election from their own body of a president and vice-president for the ensuing year. Before 1880 these officers were appointed by the State, and could only be employers. Now, if the president is an employer, the vice-president must be a workmen, and vice versâ. This change, which deprived the masters, on alternate days of session, of the preponderance attaching to the casting vote, was met in some places by the wholesale and repeated resignation of all the master Prud'hommes. The result was the breaking up of the councils, which could not be constituted without a complete "bureau" of officers; but these devices have been checked by a law, passed in 1884, allowing councils to constitute themselves and exercise jurisdiction without taking account of the seceders, provided one-half of their legal numbers remain, whether masters or workmen.

Salaries.

Prud'hommes are generally, but not necessarily, paid a salary at the expense of the communes over which their jurisdiction extends. One-half of the council retires every three years, but the outgoing members are re-eligible.

Duties.

They deal with differences arising out of the contract, written or implied, into which the workman has entered with his employer, and there is no appeal from their decisions in cases involving 8*l.* and under. Over 8*l.* an appeal lies to the Tribunal of Commerce. Prud'hommes have no voice in the settlement of strikes, not being concerned with the fairness or unfairness of wages. About 75 per cent. of the cases submitted to their judgment are on the subject of wages (disputes, for instance, as to the exact wage which the master undertook to pay, the time and manner of payment, deductions to be made for misconduct, &c.), 10 per cent.

relate to absences from work, three per cent. to defective workmanship. Questions of apprenticeship, valuation, piece-work, and delay in finishing a job, are also brought before them from time to time.

For the exercise of its conciliatory and judicial functions, every council is divided into two main "bureaux" or sections—one for mediation, and the other for judgment when mediation fails.

The former (called the "bureau particulier" or "de conciliation") consists of two members only, one master and one workman Prud'homme, and must sit at least once a week to hear disputes, and endeavour to settle them off-hand by bringing the disputants to a voluntary agreement. No case can be submitted for judgment till this preliminary attempt has been made. The sittings are presided over alternately by the master and workman, and when a difference of opinion arises between them as to the advice to be given, the voice of the presiding Prud'homme for the day prevails. Till the law of 1880, above referred to, the master invariably presided.

On a failure to reach a friendly settlement, the "bureau particulier" passes the case on to the "bureau général" or "de jugement," which hears it over again, examines any witnesses brought by the parties, and delivers judgment. When one of the parties disobeys the summons to attend, judgment is given in default, and becomes operative if the defendant shows no cause to the contrary within three days. Occasionally a Prud'homme is deputed to inquire on the spot, and report to the board before judgment is delivered; but in a large majority of cases the facts elicited by verbal examination of the parties are sufficient to found a judgment on.

The "bureau de jugement" consists of the president or vice-president in the chair (alternately, therefore, a master or a workman), and of at least two master and two workmen Prud'hommes. It is obliged, by law, to sit not less than twice a month, and every council settles for itself the order in which its members are to serve in the "bureau particulier" and in the "bureau général."

Dates of meeting.

In large trading centres the council sits two or three times a week for conciliation, and once a week for judgment. Most cases are settled in a few minutes. The Prud'hommes are practical men with a working knowledge of the industries over which they exercise their jurisdiction. They are bound down to no code or system of jurisprudence. The parties appear before them with their witnesses, if they choose to bring them, and unassisted by a lawyer. The cumbrous machinery of the law courts is dispensed with, and every case must be dealt with at the sitting next following its registration at the secretary's office. Very few cases stand over to the following sitting. The council occasionally retires to deliberate for a few minutes in secret, but in nine cases out of ten it decides off-hand in open court.

Mode of proceeding.

Legal powers to punish, &c.

Prud'hommes are also invested by law with power to punish summarily, up to three days' imprisonment, any disturbance of the order and discipline of the workshop or factory, and any grave

insubordination on the part of an apprentice. They may make visits of inspection, after two days' notice, and report to the tribunals all serious breaches of the laws and regulations which may come to their notice, such as the disclosure of trade secrets or the theft of materials. But these police powers are rarely, if ever, exercised, and, apart from their mediatorial and judicial attributes, the councils have practically nothing to do beyond receiving samples of trade patterns on deposit, and producing them when wanted.

Number of councils in France.

The 136 councils established throughout France deal with some 42,000 cases a year. Of these, about 16,000 are amicably settled by the "bureaux particuliers," about 12,000 are voluntarily withdrawn by the parties before the termination of the proceedings, and only some 13,000 or 14,000 are referred to the "bureaux généraux" for judgment. Appeals to the commercial tribunals are rare. In 1886 there were only 314, the judgment of the Prud'hommes being confirmed in 126 cases, and invalidated in 117. In 71 cases the question at issue was withdrawn from the court before judgment.

Paris.

The activity of the Paris Prud'hommes may be measured by the fact that, in 1886, over 20,000 cases (or nearly half the figure for the whole country) were submitted to them, of which nearly 5,000 went forward to the "bureaux généraux."

Lyons.

For Lyons the figures were 2,250 and 568 respectively, and for Bordeaux 1,550 and 691. Some 20 councils return a blank list. From statistics obtained by a committee of the Chamber of Deputies, it appears that the Lille Council, which may perhaps be taken as a sample of the rest, decides on an average about 44 per cent. of cases in favour of the workmen, and 34 per cent. in favour of the masters, the remaining 22 per cent. ending in a compromise.

Division of trades in Paris.

The trades of Paris with which the Prud'hommes of the capital are concerned, are divided into four categories (metals, tissues, chemical products and miscellaneous), each of which has a fully constituted council of Prud'hommes to itself, consisting of 26 members, half workmen and half masters, including president and vice-president. The four councils occupy the same building, opposite the Palais de Justice, and each has an independent set of offices, and a separate room for its "bureau de conciliation." There is only one hall for the four "bureaux de jugement," each of which uses it once a week. Each Parisian "bureau de jugement" consists of a bench of six Prud'hommes, excluding the president and vice-president in the chair. They are divided from the rest of the hall of session, which is open to the public, by a bar, to which the parties and their witnesses are summoned in turn by the secretary.

Once a quarter, or oftener, if necessary, each council holds a general meeting for the discussion of questions of procedure and other matters of general interest.

Cost to municipality.

The total annual cost to the municipality is rather over 8,000*l.*, the pay of the councillors, at 48*l.* each, standing for 4,992*l.*, secretaries and clerks for 1,364*l.*, and rent of offices for 1,092*l.*

That great services are rendered by this institution is unquestionable, and the efforts which have long been made to codify the numerous and sometimes conflicting statutes by which it is governed, and to extend its action to other trades, have culminated in two Bills by M. Lockroy, now under the consideration of a committee of the Chamber of Deputies. Valuable services rendered.

Under these Bills, all industries in which manual labour is employed, and all trades, are brought within the competency of the Prud'hommes; their summary jurisdiction is extended from 8*l.* to 20*l.*, with an appeal, over that amount, to the general assembly of the council, instead of to the Tribunal of Commerce; their elections are assimilated to those of municipal councillors, in point of suffrage and eligibility; and their procedure is in some respects still further simplified.

It has not been thought possible to make them arbiters of strikes; but M. Lockroy is submitting a separate Bill on this important subject, providing for the constitution of boards of arbitration on the English model. Fresh legislation about to be introduced.

The whole subject of labour disputes is thus on the point of being dealt with by the French Legislature.

The result is awaited with some anxiety, and it is feared by many that it may impair the impartiality and independence of the Prud'hommes by making them the mere delegates, instead of the unbiassed representatives of their respective constituents. In the large towns their election is already controlled to a dangerous extent by the political wirepullers who preside over municipal affairs. There is danger that this outside influence will increase with the proposed extension of the suffrage, and that Prud'hommes will enter upon their functions hampered by pledges to support their class in every case, regardless of its real merits.

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No. 164.

FRANCE.

NICE.

Consul Harris to the Marquis of Salisbury.

My Lord, *Nice, April* 7, 1890.

I HAVE the honour to enclose a Report on the Processes of Perfume Manufacture as practised in my District. It is, I am aware, only an imperfect sketch, but the processes would have to be watched throughout the year in order to be exhaustively described, inasmuch as they follow one another as the different flowers come in with the successive seasons, and there is but little going on at present.

I have, however, included in my summary all the processes I have been made aware of, and I have striven to make it, if succinct, at all events as clear and intelligible as was in my power.

I have, &c.

(Signed) J. C. HARRIS.

Report on the Manufacture of Perfumes at Nice.

The art of producing scent is well understood in my district, but can only be acquired by long practice, by which alone the blending of the primary essences in proper proportions becomes thoroughly understood.

Extraction of essences.

The first process is the extraction of the essences by distillation. A large copper vessel or alembic is filled with water to about two-thirds of its capacity; the flowers to be treated are then introduced, and it is hermetically closed. It is then placed on a fire; usually, in our days, gas or steam is used for this purpose. Steam is generated by this means in the cylinder, and is carried by means of a pipe into a second cylinder, which is constantly kept replenished with cold water, and is furnished with an overflow cock. The pipe, in its passage through this second cylinder, assumes the form of a spiral coil. This coil ends in a cock at the bottom of the cylinder, from which the volatile essence

exudes drop by drop as the steam becomes condensed in its passage through the spiral coil.

Rose water.

In this manner the essence is collected in a small glass vessel, while at the same time the water containing a small portion of the scent, and which still remains in the alembic aforesaid, is itself perfumed, and becomes the rose water or orange flower water of trade.

All flowers are not susceptible of this treatment—some of them, such as jessamine, violet, cassie, tuberose, &c., containing no essence, have to be treated by a different process, which will be presently described.

Proportion of yield of essence in different flowers.

Of the flowers producing essences the orange flower produces but 1 gramme of essence for 1 kilo. of flowers, or but one-thousandth part. This essence is styled "neroli," and is the principal essence produced in the district between the Var and the Italian frontier.

The following table will show the proportionate yield of the different flowers:—

Neroli	1,000	kilos. of flowers	1	kilo. of essence
Rose	25,000	,, ,,	1	,,
Geranium	1,000	,, ,,	1	,,
Mint . .	1,000	,, ,,	0·750	,,
Orange leaf (bitter)	1,000	,, ,,	1	,,
Lavender . .	100	,, ,,	0·500	,,
Eucalyptus . .	100	,, ,,	0·500	,,

The volatile essences thus obtained, combined and mixed together with a certain quantity of alcohol, are used in the preparation and as the basis of Eau de Cologne, toilet vinegar, lavender water, &c.

Two processes in use with flowers which contain no essence.

There are two processes used for the purpose of extracting perfume from flowers which do not contain the volatile essence.

The first may be described as the cold process, and the second as the hot process.

First the cold process.

The former is generally used for cassie (*Acacia Farneriana*), jessamine, jonquils, tuberoses, violets, and some other flowers.

Freshly-gathered flowers are placed upon a layer of pure lard, a quarter of an inch in thickness, spread over a sheet of glass about two feet square, which is framed in wood and forms a kind of tray. These trays, sometimes some 40 or 50 together, are then piled upon one another; the flowers are changed every 12, 18, or 24 hours, according to circumstances, and the process is thus continued until the lard is sufficiently charged with perfume. Jessamine and tuberose are frequently changed as often as 50 times before the lard is considered to be sufficiently impregnated, cassie and violets from 30 to 40 times, and jonquils about 20 times only.

The fat thus obtained can be packed in air-tight tins and conveyed anywhere; and it used to be thus exported in considerable quantities to Rimmel's, in London, from their garden at Nice.

COLD PROCESS.

(BATTEUSE À EXTRAITS.)

FIG. 1.

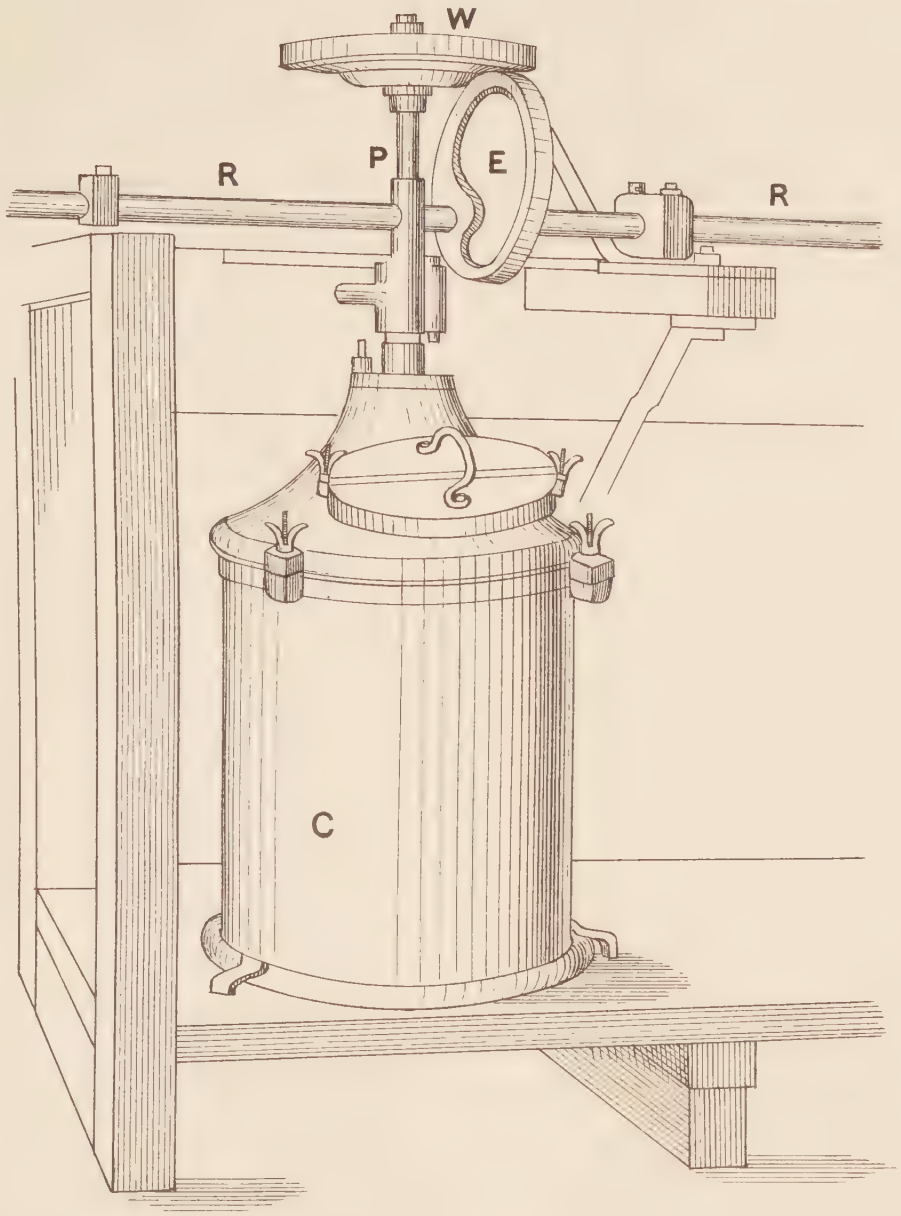
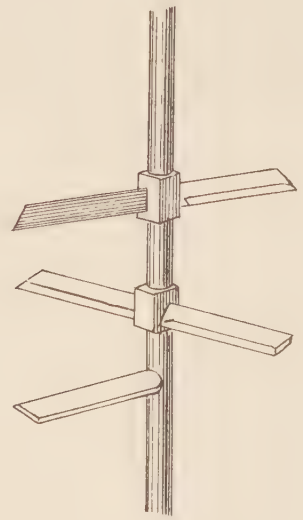


FIG. 2.



REFERENCE.

C. CYLINDER CONTAINING CHURN.

R. CONNECTING ROD.

E. EXCENTRIC.

P. PISTON.

W. WHEEL TURNED AS WELL AS RAISED AND DEPRESSED BY ACTION OF EXCENTRIC.

FIG. II. PISTON WITH FLANGES IN INTERIOR OF CYLINDER.

When the hot process is resorted to for the purpose of obtaining the impregnated fat, 20 kilos. of grease are placed in a copper vessel, together with some 5 kilos. of flowers; the vessel is then placed over a slow fire, and the contents are well stirred. After allowing the compound to boil for 10 minutes, the vessel is left to cool for some hours; an additional 5 kilos. of flowers are then added, and the process is repeated until the fat has absorbed the requisite amount of perfume; the hot liquid is then poured through a sieve, and the greasy flower-paste that remains is subjected to hydraulic pressure. It is in these two ways that the "pommades" of trade are produced.

Secondly the hot process.

Result of both processes.

From these "pommades" perfumed and alcoholised liquids are extracted by means of grain spirit, and also by spirits of wine: these are the "extraits" of trade, and it is by the judicious blending of the different essences and concentrated perfumes, obtained by the processes above described, that the numerous scents are produced.

The pommades of trade.

Process by which the "extraits" of trade are obtained from the "pommades."

The machinery used in their production is very simple, and I have seen nothing worthy of being described at length save the "batteuse à extraits," by which the perfume is conveyed from the impregnated fat into the alcohol. I have annexed in Fig. I. a representation of this "batteuse" or churn.

The batteuse à extraits.

The fat is inserted in cylinder C, together with a certain amount of spirits; there are usually four churns side by side attached to the same connecting rod R, which ends in a wheel connected with the steam-engine by means of the usual band; the rod being thus set in rapid motion, the excentric E lifts, depresses, and rotates the wheel W, which sets the piston P rotating, and alternately rising and falling at the same time. Fig. II. shows the portion of the piston rod which is contained in the cylinder and to which horizontal flanges are attached, and it will be readily seen that the churning process, obtained by their rotating at the same time that they rise and fall through the mass of fat and alcohol is of a most efficient nature.

There are certain perfumes which can only be obtained, however, by fermentation of certain fruits, flowers, and roots, with alcohol; of this nature are benzoin, fèves tonka (tonquin beans), iris, and others which are of great use in the manufacture of scents.

The principal "parfumeries" of my district are situated at Grasse, but the Bermonds and Lhermines of Nice are well-known houses; the latter of which appears to be at present the most important manufactory in Nice and its neighbourhood. Mr. Lambert, at Monaco, is also well known.

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1890.

MISCELLANEOUS SERIES.

No. 169.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

FRANCE.

REPORT ON

THE LABOUR AGITATION AND RECENT STRIKES IN FRANCE.

REFERENCE TO PREVIOUS REPORT, Miscellaneous Series No. 148.

Presented to both Houses of Parliament by Command of Her Majesty,
MAY, 1890.

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No. 169.

Reference to previous Report, Miscellaneous Series No. 148.

FRANCE.

PARIS.

The Earl of Lytton to the Marquis of Salisbury.

My Lord, *Paris, May* 11, 1890.

I HAVE the honour to transmit herewith to your Lordship a Report by Mr. Crowe on the Labour Agitation and recent Strikes in France.

I have, &c.
(Signed) LYTTON.

Mr. Crowe to the Earl of Lytton.

My Lord, *Paris, May* 11, 1890.

The agitation begun, this winter, by the leaders of the working classes in favour of short time and minimum wages, led, as your Lordship is aware, to a manifestation on May 1. Very few of the manufacturing towns of France remained unaffected by this movement. But as the authorities had sufficient notice of the intentions of the agitators, they were able to forbid processions by employing troops and police to confine the demonstrations within very narrow limits.

The points upon which working men lay stress are set forth in circular petitions which have been widely published throughout France. They comprise:—

1. Limitation of a day's work to eight hours.
2. A minimum of wages.
3. Suppression of offices for the engagement of working men.
4. Suppression of sub-contracts.
5. Regulation of the work of women and children.

The greatest importance was attached to the limitation of time on the following grounds:—

That eight hours' work means employment and bread for a number of people who are now unemployed and hungry. It means putting an effectual stop to the enforced idleness of men deprived of work by the progress of machinery. It means a cer-

tain increase of wages, inasmuch as it stops competition between the employed and the unemployed, because eight hours' work plus eight hours' sleep, leaves eight hours of leisure to working men; and a day of eight hours is a clear profit to small traders by increasing the consuming and purchasing power of the working classes.

On these points M. Jules Simon has observed:—"The workmen require too much. To pass suddenly from twelve to eight hours, and claim the same wages for the eight as for the twelve, is to put a charge on employers which they cannot bear, and to reduce production so that the wants of mankind cannot be satisfied. It has not been stated on the part of the workmen whether they meant to allow overtime for pay, because, if so, the manifestation means an increase of wages and a fixed minimum of salary; if not, many trades would be paralysed, and produce known to be necessary would disappear from the market."

"The manifestation of May 1," M. Simon concluded, "was not made for the purpose of setting forth proposals to employers, it simply asked the State to intervene to the detriment of employers, suppress four hours of work, curtail liberty of contract, and rob of their freedom not only manufacturers but workmen."

It has not become known how many of the French working classes joined the manifestation of May 1, or whether a majority of them are in favour of the points I have stated. But in a great many of the most important manufacturing cities of this country workmen did not scruple to take a holiday without leave for the purpose either of approving the policy of the socialist leaders, or taking advantage of the manifestation to enjoy a holiday. In many places the ferment caused by the manifestation produced strikes in which it is possible to note that the ostensible object of the men is a reduction of the day's working hours, but the real purpose is an increase of wages. For nowhere, and in no single case, have the strikes been based on the limitation of working time to eight hours, and in most instances the men have only claimed a slight reduction of hours coincident with a large increase of pay. But the turbulence of these malcontents has been much greater than that of the masses which tried to demonstrate on May 1; and troops have been required to put down disorder in many parts of France, especially on the borders of Belgium, about Lille, Roubaix, and Tourcoing, in the collieries of the Pas de Calais and Nord, at St. Etienne and Bessèges, and in the manufacturing districts of the department of the Isère.

In Paris two strikes broke out: a strike of gas-stokers, and a strike of glass-blowers. The gasmen asked for a reduction of hours from 12 to 10, instead of four shifts of two hours with the necessary intervals of rest they asked for three shifts, and for these three shifts they required 20 per cent. increase of wages. The men were offered an advance of wages, and the strike has been brought to a close by that concession, about 150 of the leaders of the movement having been struck off the Company's books.

The concessions made are these: though the wages are still to be paid as task-work the stokers get an increase of pay, viz.:—

2*s.* 7⅝*d.* (3 fr. 30 c.) instead of 2*s.* 4¾*d.* (3 fr.) per 100 kilos. of distilled coal. All other hands receive an addition of 2⅜*d.* to 4¾*d.* to their daily wages, equivalent to a rise from 3*s.* (3 fr. 75 c.) to 3*s.* 4¾*d.* (4 fr. 25 c.) per diem. Overtime will be paid at the rate of 4*d.* (42·5 c.) an hour.

The glass-blowers' strike only broke out about May 3, after the masters had conceded to their men an advance of wages. It is not supposed that the latter will gain much from the movement.

The chief centre of disturbance on the Belgian frontier has been at Roubaix, where upwards of 30,000 workmen spent May 1 idling in the street, and claiming eight hours and 30 per cent. increase to wages. It is to be noted that the day at Roubaix hitherto has been divided in most of the factories of the place as follows:—

Beginning work at 6 a.m., half an hour for breakfast at 8, an hour for dinner between noon and 1 p.m., half an hour's rest at 5 o'clock, close of work at 8 p.m. This means 14 hours in the works, of which two hours are devoted to food and rest. The strikers required that work should begin at 7, that two hours should be given for dinner and rest at noon, and that work should cease at 7 p.m.

In some cases the same wages were asked for 10 hours as for 12. In other cases more for 10 hours than had hitherto been paid for 12.

The masters might have seen their way to concede higher pay, but they declared themselves unable to make any concessions as to short time until the Government procured an international agreement to that effect.

Unfortunately the strikers at Roubaix, Tourcoing, and places in that vicinity, were not satisfied with peaceful agitation, they formed themselves into bands which scoured the country, broke into mills, threatened the lives of manufacturers, and caused grave anxiety to the authorities. It is calculated that in Roubaix and Tourcoing alone 70,000 hands remained out between May 1 and 7. On the 8th, it is stated that 15,000 men in the ordinary trades of carpenters, masons, smiths, painters, &c., had returned to their shops at Roubaix, but most of the hands in the textile industries were still on strike, and it is not supposed that things will take a better turn for a week to come. Meanwhile, the members for the district are doing all they can to persuade their constituents to go to work, promising to move in Parliament for an amnesty in their favour. French law, it is to be observed, is severe upon men guilty of leaving work without notice; and there is a recent case in the Department of the Landes where a firm of glass-blowers summoned workmen for this offence, and got 50 fr. damages against each of them before the Court of the Juge de Paix, unless they consented to work off the time which they had neglected by striking without notice.

For a fortnight previous to the manifestation of May 1, a congress of delegates of the working colliers of the region had been sitting at St. Etienne. The resolutions carried in this congress were of the most radical kind, viz :—

1. Reduction of the working day to eight hours.

2. Unification of the rate of wages in all collieries, with salaries as follows :—

	Sterling.	Currency.
	s. *d.*	Fr.
Overground hands	4 0	5
Underground hands, Putters	4 10	6
Timberers in the ways	5 7½	7
Hewers	6 4¾	8

It was resolved that unless these demands were accepted by masters on May 1, a general strike would be proclaimed. The colliers of St. Etienne left their work on May 1 and 2, but, since then, they have returned to the pits on the old terms, and no strike as yet has broken out. At Decazeville, and generally throughout the Department of the Aveyron, the same course was pursued as at St. Etienne, but, in the Gard and the Ardèche, the colliers of the fields of Bessèges and Alais went on strike for the St. Etienne tariff to the number of 5,500 men, since which time the collieries of Bessèges, Molières, Lalles, and neighbourhood have remained empty, and no signs are apparent of a change in the determination of the men, though the pits of Grand-Combe, employing 5,260 hands, have remained unaffected hitherto by the strike.

The masters of Bessèges and Alais declare that concession to the demands of the men means ruin to themselves. It means 25 per cent. added to the wages hitherto paid, at a time when the collieries are notoriously not prosperous. They calculate that the new scale of wages would raise the price of coal by 2*s.* 5*d.* to 3*s.* 2*d.* per ton, and that these prices would necessarily curtail the output. Under no circumstances do they see their way to reduce the shifts so as to include time in and time out within eight hours.

But, besides the colliers, there are the blast furnace and pudler hands of Terre Noire and other ironworks who have struck for increased wages, although Terre Noire was recently bankrupt, and has only just been taken over by a new company, and other ironworks, such as those of Commentry, had already obtained, in the middle of April, an advance of wages of 5 per cent., accompanied by a reduction of one hour in the total day's work.

The mining population of the northern colliery districts of France left their work in large numbers on May 1, but the only strike of importance which subsequently broke out was that of the Lens miners, who asked for the eight hours' day, and an increase of 20 per cent. of wages. The masters have since refused

to listen to these terms, and troops being called in to repress disturbances, the colliers have mostly returned to their work.

At Lyons, Bordeaux, and Marseilles, the demonstrations of May 1 were not followed by any general strike. At Cette, some Italian porters who endeavoured to prevent the unloading of ships at the quays were only put down by troops. At Montpellier, house carpenters struck for 60 c., instead of 50 c., per hour, and have most of them got what they asked for.

In the cotton and woollen factories of Rouen and Reims there are partial disturbances to note. The weavers of Marommes, near Rouen, have been on strike since the middle of April, and troops are still required to preserve order there. At Reims the wool combers are out asking for an advance of wages of 5*d.* per diem. The masters are willing to raise the pay of female hands by 2⅜*d.*, they have hitherto refused the demands of the men.

At Vienne, in the Isère, where there was an anarchist riot on May 1, a strike broke out in several trades. In the weaving factories the demands of the workmen were for an increase of 25 per cent. on the old scale of wages. The dyers and masons of the same place also claimed an advance of wages and reduction of working hours, but, on the 7th, the strike had come to an end so far as the weavers are concerned, and it is not expected that the dyers and masons will hold out much longer.

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1890.

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No. 176.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

FRANCE.

REPORT ON

THE PRODUCTIVENESS AND QUALITY OF GRAPE AND RAISIN WINE.

Presented to both Houses of Parliament by Command of Her Majesty,
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No. 176.

FRANCE.

PARIS

The Earl of Lytton to the Marquis of Salisbury.

My Lord, *Paris, June* 18, 1890.

I HAVE the honour to transmit herewith to your Lordship, a despatch from Sir J. Crowe enclosing a report on the comparative productiveness of raisins and fresh grapes, which he has drawn up in obedience to the instructions contained in your Lordship's despatch of the 7th instant.

I have, &c.
(Signed) LYTTON.

Sir J. A. Crowe to the Earl of Lytton.

My Lord, *Paris, June* 18, 1890.

IN reply to Lord Salisbury's despatch of the 7th instant, requesting me to furnish information on the comparative productiveness of raisins and fresh grapes, I have the honour to inclose a report containing all the information I have been able to gather on the subject.

I have, &c.
(Signed) J. A. CROWE.

Report on the Productiveness and Quality of Grape and Raisin Wine.

The comparative productiveness of grapes and currants and raisins as raw material for wine, and the incidence of taxation on the fermented liquid derived from both, is an interesting subject of study at this moment.

Fresh grapes are seldom used until they are so ripe as to be fully charged with juice. But currants and raisins are grapes from which the watery parts have been withdrawn by dessication.

It is admitted on general authority that 100 kilos. of raisins

or currants (220 lbs.) will produce 3 hectolitres (66 gallons) of wine, at an average alcoholic strength of 8 degrees. But the office of indirect taxes in Paris calculates that 100 kilos. of raisins may yield 30 litres, and 100 kilos. of currants 35 litres of spirit, 100 kilos. of the best Greek currants will bear diluting with 450 litres of water, and give back in return 440 litres of wine at an average of 10 degrees of strength.

I enclose a recipe for making wine of raisins from Greek currants. It will be seen that the process of manufacture is much akin to that of making ordinary wine. The elements are all the same, the added water is but a substitute for that which was originally extracted from the grape by dessication.

As regards quality, it seems to be admitted that the wine obtained from currants and raisins cannot be compared with that furnished by vineyards of repute.

But, if unadulterated, it is a palatable drink, and its worst enemies admit that it is a healthy beverage containing all the constitutive principles of natural wine, whilst M. Yves Guyot, now Minister of Public Works in France, confesses that it is impossible to distinguish wine of raisins from wine of fresh grapes by chemical analysis.*

In a celebrated case tried in Paris a few years ago, hundreds of samples were tested for the purpose of detecting the difference between wine of raisins and wine of grapes, and four of the best chemists came to the conclusion that, practically, detection was impossible.

The value of wine made from currants and raisins varies according to the price of the raw materials. The average price of currants and raisins according to the tables of the *commission des valeurs* is 40 fr. (1*l.* 12*s.*) per 100 kilos. But recent calculations show that prices have fallen, and the cost of laying down 100 kilos. of raisins in Paris has been given as follows:—

	Currency.		Sterling.		
	Fr.	c.	£	*s.*	*d.*
Raisins, 100 kilos...	35	0	1	8	0
Duty, „	6	0	0	4	9⅜
Freight to Marseilles	2	50	0	2	0
Carriage from Marseilles to Paris per 100 kilos.	3	50	0	2	9⅜
Total	47	0	1	17	7¼

* He put the case in this way in a sitting of the Chamber of Deputies, on December 11, 1888:—The grape wine analysed has 13·32 degrees, the raisin wine has 8·10 degrees of alcoholic strength. The analysis gives:—

	Grape wine.	Raisin wine.
	Parts.	Parts.
Dry Extract	21·00	26·00
Cinders	1·76	2·00

Another calculation gives the following:—

	Currency.	Sterling.
	Fr. c.	£ s. d.
Raisins, 100 kilos...	37 50	1 10 0
Duty, „	6 0	0 4 9⅝
Freights to outport	2 50	0 2 0
Carriage to Paris from Rouen	1 20	0 0 11½
Total	47 20	1 17 9½

Taking the produce in wine of 8 to 10 degrees of strength at three hectolitres of wine per 100 kilos., the cost price of the materials comes out at 15 fr. 70 c. (12*s.* 6¾*d.*) per hectolitre. But low as the amounts appear to be there is reason to think that in practice they should be lower still.* A company at Marseilles offers ready-made wine of raisins at 15 fr. (12*s.*) per hectolitre, and according to Messrs. Jamais and Turrel, who are partisans of the French wine growers, the offer is often as low as 12 fr. (9*s.* 7½*d.*) per hectolitre (22 gallons).

A Bill is before Parliament for levying a special duty on raisins, and the question arises—Can this Bill be described as equalising the incidence of taxation on natural and artificial wine, or is the Bill designed on purely protective grounds?

The answer to this question is not as clear as it might be.

The inland duties on wine of grapes and wine of currants and raisins were, till August, 1889, exactly the same, viz.:—

	Per hectolitre.
	Fr. c.
Circulation duty in three classes	1 0
„ „ „	1 50
„ „ „	2 0
Entrance duty in towns according to population ..	0 40
„ „ „ „ ..	1 50
Retail duty (per cent. of sale price)	12½

In 1889 it was enacted that wine of dried raisins could not be sold without a mark on casks, bottles and invoices stating that the liquid was truly made of raisins. Another enactment declared that any addition to wine or wine of raisins in the shape of fermented juice of figs, carobs, mowra, rice, barley, or other saccharine substances, constituted adulteration, and was punishable by law. But legislation so far was only meant to enable purchasers to distinguish grape wine from wine of raisins. There was a growing belief in the minds of some persons that adulteration took place on a large scale, and that raisin wine was often mixed. A resolution was accordingly passed by Parliament and became

* The average price at the present moment is for Greek currants 35 fr. without duty, or octroi, for Thyra raisins, Smyrna 25 fr., and Tchesme 30 fr.

law on July 17 of last year, to the effect that entrance duty should be charged on currants and raisins imported into towns for the purpose of being made into wine, at the rate of 3 hectolitres for every 100 kilos. of fruit. It was declared in addition that manufactures of raisin wine should be subject to the excise supervision usual in the case of spirits.

So far it would seem that little if anything had been done to subject wine of raisins to heavier taxation than wine of grapes. But meanwhile a strong agitation had been set on foot to secure that raisins and wine of raisins should be liable to a special tax, The first effort was made in November last, by the promoters of a Bill for substituting a customs duty of 30 fr. for that of 6 fr. per 100 kilos. embodied in the general and conventional tariffs at present in force in France. This proposal was said to be "justified by the inequality of charge apparent in the tariff of foreign wine and raisins, and the necessity to defend France from the invasion of a product which, whilst giving the consumer no advantage, tended to take the place of a product eminently French."

Unfortunately this Bill had the disadvantage of being unsuited to the present needs of the wine growers, because a duty of 30 fr. introduced into the general tariff cannot take effect for two years on account of treaty engagements, by which France is bound to maintain the rate of 6 fr. per 100 kilos. till 1892.

Yet the committee of initiative to which the Bill was submitted, recommended its adoption on the ground "that 100 kilos. of raisins costing about 35 fr., paying a duty of 6 fr., and a freight of 3 fr. 50 c. from Marseilles to Paris, were capable of being turned into 3 or 4 hectolitres of wine which, by fraudulent means, were subsequently diluted to 12 to 15 hectolitres, to the great detriment of the natural wines of France."

A more effectual measure was then laid before Parliament by private members, establishing State control over the carriage of dried fruit, and its manufacture into wine, and proposing to enact that an excise should be levied at the place of production on the quantity of spirits contained in the wine at the rate of 8 fr. per hectolitre of 10 degrees of proof strength. It was not proposed that the charges on the entry and circulation of raisin wine should be repealed; the "fabrication duty was to be additional to all other inland duties whatever." But, it was argued, this duty would not constitute a privilege for the wine growers; it was merely intended to restore the balance destroyed by the conditions under which raisin wine is made, the low price of currants and raisins, and the product obtained from them.

To arguments of this kind, put forward in the Chamber of Deputies, in December, 1888, as justifying the rejection of a treaty with Greece, it had been observed that if, on the one hand, raisin wine was cheap, it was not cheaper at the place of production than wine of grapes, and the price of the latter was given at the same quotation as the former, viz., 12 to 15 cents. per litre.

But the advocates of the wine growers said that the charge on the carriage of raisins in France was low, as compared with that on the carriage of wine; that a bale of 100 kilos. of raisins paid a carriage rate between Marseilles and Paris of 3 fr. 50 c., whereas 3 hectolitres of wine, grown in France, could not be moved for the same distance under 16 fr. Whence the necessity for a fabrication duty. The flaw in this argument appears to be that wine does not necessarily travel a distance of 863 kiloms. (532 miles), and the circulation duty is calculated so that the cheap wine grown in any locality is only liable to a duty of 1 fr., whilst the dearer wines which will bear carriage pay 1 fr. 50 c. and 2 fr. Where cheap wine does not go, as it notoriously does not to Normandy, and the northern parts of France, it is not raisin wine that competes but cider and beer and spirits.

The French Government, however, were willing to concede something to the cry that raisins which are carried cheaper than wine ought to be made to bear an increase of taxation locally. Hence the Government Bill, which is now before Parliament, and is framed to enact that raisins shall pay entrance duty not only in towns but in the country. Shall pay circulation duty as if they were wine, at the rate of 100 kilos. to 3 hectolitres of wine; shall be liable to entrance dues at the same rate, and besides be charged at the place of manufacture with a special tax on manufacture of 3 fr. per hectolitre.

It is expressly stated in the preamble to the Bill, that the fabrication due is equitable, "because raisin wine at the place of manufacture is free from the costs of carriage which accrue for natural wine when taken from the vineyard to the spot where it is consumed, inasmuch as raisin wine is usually made in the centres of consumption, and is burdened with no other carrriage charge than that borne by the raisins. Raisins pay 3 fr. 10 c. carriage per 100 kilos., or 1 fr. 3 c. per hectolitre from Marseilles to Paris, whilst natural wine can only be taken the same distance for 6 fr. 32 c. per hectolitre, including the charge for return of the empty casks, and it seems just to compensate this inequality so that the two sorts of wines shall be more equally treated at the points of consumption."

I have already shown in what particular this argument may be considered fallacious. It is only necessary to add that the more ardent protectionist feeling of the natural wine growers of France is, that a fabrication due of 3 fr. per hectolitre is quite insufficient, and that the figure 3 should be altered to 5.

But there are other arguments which the Government has not disdained to use in favour of a fabrication tax. It is said that the customs duty of 6 fr. per 100 kilos. on raisins is only equal to the conventional duty of 2 fr. per hectolitre if it can be assumed that the wine made in France from imported raisins does not exceed 3 hectolitres. There is reason for thinking that raisins may be made to yield more than this quantity; whence the necessity for an additional excise upon them, yet it is not denied that any excess over 3 hectolitres per 100 kilos. can only be obtained by

fraud, and it is doubtful whether laws should be based on a presumption of fraud; another argument put forward by wine-growers is that France is only just recovering from the depression caused by the ravages of phylloxera, and ought for that reason to be protected.

Yet on looking at the statistics of wine and dried fruit it would appear that France cannot supply her own market with natural wine, and that she imports wine from abroad in larger proportions than raisins.

The French people consumed in 1881–88 annually about 43,000,000 hectolitres (946,000,000 gallons) of wine. The yield of French vineyards averaged 33,000,000 hectolitres (726,000,000 gallons) in 1881–85, and 26,500,000 hectolitres (583,000,000 gallons) in 1885-88. In 1889 the yield was about 24,000,000 hectolitres (528,000,000 gallons). The consumption was as follows:—

	Hectolitres.
French vintage of 1888	30,100,000
Additional wine from graves	1,500,000
Mixing with sugar ferments	2,500,000
Raisin wine	1,800,000
Excess of imports over exports	9,100,000
Total	45,000,000

It appears from this that wine of raisins is clearly not made or sold in France in excessive quantities, whilst wine from Spain and Portugal and Greece comes largely into French consumption. Why, therefore, is there so strong an agitation against raisin and currant wine? It is because currants and raisins are not grown in France, because the duty on wine is fixed by treaties at 2 fr. per hectolitre, and cannot be increased until the treaties expire. It is also because wine-making from dried fruit is comparatively new to France, and the interests represented are not nearly so large or influential as those engaged in the natural wine trade. Previous to the year 1878, when French wine was of bad quality, in consequence of a sour harvest, very little dried fruit wine was made in France. But later on, as the area under vines was reduced, raisin and currant wine was made in increasing quantities, and large establishments were formed at Vouziers, Reims, Verdun, Besançon, Gray, Macon, and Paris. There are now at least 20 manufactures in the capital alone. The quantities made throughout France are registered by the Ministry of Finance as follows:—

	Hectolitres.
1887	1,553,000
1888	2,220,000
1889	1,826,000

Is it wise to agitate for the suppression of wine of raisins, when the only substitute likely to be found is foreign wine, or wine made of sugar? But this is a question which chiefly concerns Frenchmen, and a French Parliament. The Govern-

ment are no doubt aware that they cannot levy duties on currants and raisins, imported from abroad and taxed as wine, more heavy than those imposed on wine made in France. There are treaties with foreign powers which constitute an engagement on the part of France to establish an exact equality between national and foreign produce subjected to excise or consumption taxes. But the question of what constitutes equality is no doubt at times difficult to settle.

Société Corinthienne, Marseille.

Propriétaires Grecs Réunis.—Importation de Raisins Secs à Boisson pendant toute l'année, et de Raisins Frais en août et septembre au cours du jour.

Manière de Faire le Vin de Raisins Secs.

Pour bien faire le vin de raisins secs, trois choses sont essentielles :

1° La fermentation doit avoir lieu dans le local le plus chaud de la maison et le moins exposé aux brusques changements de température.

2° En hiver, il est nécessaire, dans le local où se fait la fermentation, d'entretenir nuit et jour pendant la durée de la fermentation assez de chaleur pour que le thermomètre ne descende jamais au-dessous de 15 à 12 degrés. Une température de 18 à 20 degrés serait la plus convenable.

3° Soit pour la macération, soit pour la fermentation du moût ou sirop, ne se servir que de fûts absolument francs de goût et d'une propreté ne laissant rien à désirer. Autant que possible, n'employer, après l'avoir très soigneusement rincée, que de la futaille ayant fraîchement contenu du vin. En tous cas, écarter celle tant soit peu suspecte comme goût et solidité.

4° Les fûts destinés à la fermentation du moût devront être placés à l'abri des courants d'air, et le local sera tenu fermé le plus possible, sans le priver cependant de la lumière du jour, si favorable à l'activité des ferments.

Ces premières précautions rigoureusement observées, voici comment on devra procéder :

En admettant qu'on ait seulement 100 kilogrammes de raisins à transformer en vin, on jettera les raisins dans un fût d'environ 200 à 230 litres, défoncé et placé sur l'un de ses fonds. Préalablement, on protégera l'ouverture intérieure du robinet contre les grains de raisin qui pourraient, à chaque soutirage, l'obstruer. Pour cela, il faut placer et assujettir solidement soit une toile métallique soit un fagot capable, tout en laissant passer le liquide, de retenir les grains de raisin.

Ensuite on noiera les raisins dans 100 litres d'eau (il n'est pas nécessaire qu'elle soit chauffée` c'est-à-dire qu'on devra employer autant de litres d'eau que de kilogrammes de raisins mis en macé-

ration ; puis on laissera macérer jusqu'au moment où la fermentation se manifestera, ce qui, ordinairement, se produira dans les 48 heures. Après cela on soutirera le premier sirop et on le versera, par moitié, dans 2 fûts de 220 litres environ chacun, et par quart si l'on emploi 4 fûts de 100 à 120 litres.

Ce premier soutirage effectué, on versera encore sur les raisins autant de litres d'eau qu'on aura retiré de litres de moût. On fera de même jusqu'à épuisement des raisins, en faisant chaque jour 3 soutirages, l'un dès le matin, l'autre vers midi, et le troisième avant de se coucher. On répétera, du reste, ces 3 soutirages quotidiens jusqu'à ce que les fûts à fermentation, destinés à en recevoir le produit, soient pleins en bonde, et on laissera la fermentation s'achever. Cela fait, il ne restera plus de sirop dans les raisins et on pourra les jeter au fumier ou mieux les donner à manger aux bestiaux. Inutile de recommander de laisser débouchés les fûts en fermentation, afin de permettre au gaz carbonique de se dégager. La fermentation sera terminée 12 ou 15 jours après.

Le vin sera fait quand le bouillement aura cessé et que la saveur sucrée aura entièrement disparu.

Deux ou trois jours après, on transvasera le vin dans des fûts très propres et on procédera à un collage avec notre clarifiant que nous vendons à nos clients 2 francs la boîte ; dose suffisante pour une quantité de 200 à 220 litres. Une instruction indiquant la manière de se servir de notre clarifiant accompagnera l'envoi de chaque boîte.

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VIEWS OF FRENCH CHAMBERS OF COMMERCE AS TO RENEWAL OF COMMERCIAL TREATIES.

Presented to both Houses of Parliament by Command of Her Majesty,
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No. 179.

FRANCE.

PARIS.

The Earl of Lytton to the Marquis of Salisbury.

My Lord, *Paris, June* 28, 1890.

I HAVE the honour to transmit herewith to your Lordship a Report by Sir J. Crowe, analysing the summary of the answers given by the French Chambers of Commerce and Manufactures, to the syllabus of questions issued by order of the Government. I enclose, also, one copy of the text of the summary in question, which is the only one I have been able to procure.

I have, &c.
(Signed) LYTTON.

Sir J. Crowe to the Earl of Lytton.

My Lord, *Paris, June* 26, 1890.

I have had occasion to peruse the summary of the answers given by French Chambers and Syndicates of Commerce and Manufactures to the syllabus of questions issued by order of the Government; and I observe that, however strong the current of protectionism may be in Parliament, it is tempered amongst the manufacturers and merchants by a lively sense of the advantages of moderation.

Your Lordship will be able to form some idea of the materials collected on this occasion, when I say that the summary analysis, divided into six parts, fills 250 folio pages of close print, though it does not include replies to questions relating to the present state of the trade and industry of the country in each one of its branches, or the extent and area of French exportation.

The replies to the third question, which has reference to the denunciation and renewal of treaties, are interesting.

The great majority of the Chambers declare that all treaties should be denounced; but the exceptions are Paris, Rouen, Marseilles, and even Lyons.

In favour of new treaties are, amongst others: Lyons, Marseilles, Aubenas, Grenoble; and in favour of treaties for long terms of years: Bordeaux, Havre, Nantes, Reims, Paris, Rochefort, Troyes, Cognac, Boulogne-sur-Mer, Avignon, Annonay, and Beaune. The following places advocate treaties for short periods: Calais, Cette, Nancy, Narbonne, St. Etienne, Toulouse, Thiers, and 14 others.

Twenty-seven Chambers, amongst them Algiers, Macon, Montpellier, Perpignan, Roanne, Rouen, St. Dizièrs, Valenciennes, and Vienne (Isêre), are for a single tariff. Thirty-nine, including Armentières, Besançon, Bar-le-Duc, Cambrai, Caen, Douai, Dijon, Dunquerque, Elbeuf, Honfleur, Lille, Nimes, Roubaix, St. Quentin, Sédan, Tarare, Tourcoing, and Lons-le-Saulnier, prefer a double tariff.

Thirty-nine chambers, again, amongst them representatives of all the chief cities of France, wish to negotiate with such countries as may display a desire to give co-relative advantages to France in return for those which may be offered to them from the French side. The chief arguments in favour of this policy are derived from the experience gained in the course of the tariff quarrels of France and Italy, or based on a lively apprehension of the dangers likely to accrue from isolation and customs coalitions against this country.

On questions of tariff generally some natural divergencies are apparent; but as regards duties on raw materials there is a general consensus of opinion that they should be absolutely avoided, unless they are very low and universal, or compensated by export bounties, temporary free entry, or drawbacks. The system of drawbacks to repay the exporter for his original outlay on raw material is curiously popular, and almost as frequently advocated as the double system of tarification by weight and value.

The Paris Chamber of Commerce desires the maintenance of the present general tariff, because its rates are high enough: "They might indeed be lower, because present prices are now much cheaper than those of 1881." That raw materials should by no means be taxed is a view in which the following Chambers concur: Avignon, Bayonne, Bordeaux, Clermont-Ferrand, Epinal, Flers, Granville, Havre, Lille, Lorient, Lyons, and St. Etienne.

Arras inquires whether it might not be possible to take the rates of the German tariff as groundwork for a French general tariff, subject to annual revision. This is suggested as a practical way of neutralising the effects of the 11th clause of the treaty of Frankfort.

Avesnes is in favour of moderate duties without reprisals. Avignon advocates lower rates than those at present in force, if cause is shown in favour of their reduction in French interests. The same opinion is held by Besançon. Bordeaux wishes that low duties should be permanently adopted, so that they may, if necessary, be made more moderate still. The trade generally would willingly accept the rates of the general tariff.

Calais points out that French production far exceeds French consumption, whence the necessity for keeping foreign markets open. Havre is also favourable to a moderate tariff, and Lyons energetic for international arrangements based on equitable and mutual concessions. Lyons further observes that the export trade which gives employment to millions of hands "is at this moment a helpless victim, struggling with the current of protectionism." Lyons, as a manufacturing centre, accepts the maintenance of free trade in pure silk tissues, for which no protection is desired. Marseilles and Troyes are content with the present general tariff. St. Etienne, though divided by the variety of manufactures which flourish in the district, favours free trade in respect of her ribbon manufacture.

By the side of the more liberal current shown in the foregoing summary, there runs another stream essentially contrary to imports of competing products, in which we shall find Abbeville, Agen, Bolbec, Bourges, Brest, Cambrai, Autun, Chalons-sur-Saône, Cherbourg, Dijon, Elbeuf, Flers, Lille, Lorient, Montpellier, Morlaix, Nantes, Rennes, and Roubaix.

Rouen asks for a large measure of protection, a wider classification of cottons, and rates to be fixed for at least five years.

Sédan would like a minimum tariff sufficiently high to give national manufactures advantages over foreign competition, especially in the branches of clothmaking and metallurgy.

Having so far dealt with the general features of the analysis presented to the Conseil Supérieur, I now proceed to give some details of the requirements of different localities in respect of certain branches of business manufacture; and I select, in the first place, those articles which I think are of most interest to ourselves.

Woollens and other Milled Tissues.

The Chamber of Commerce of Elbeuf proposes to alter the present tarification of woollens, weighing 400 grammes and under, from 140 to 170 fr. per 100 kilos.; that of woollens weighing 401 to 550 grammes, from 123 to 150 fr.; and those weighing above 550 grammes, from 106 to 130 fr. per 100 kilos. But, in order to equalise the charge on varieties of goods, 15 per cent. ad valorem should be added to each duty for friends, and 30 per cent. for enemies. The Chamber of Commerce of Reims proposes the addition of a new class for tissues weighing up to 200 grammes per square metre; the tariff would have six classes, instead of three as at present, viz.:—

	Fr.
Up to 200 grammes	275
From 200 to 300 grammes	235
„ 300 to 400 „	211
„ 400 to 550 „	186
„ 550 to 700 „	161
And above 700 grammes	186

This would constitute a very heavy increase to the present

duty of 211 fr. charged in the general tariff for light stuffs weighing up to 300 grammes. On the other hand, it would reduce the present duty of 161 fr. for cloths weighing more than 700 grammes.

Tourcoing suggests another variety, namely, cloths, casimirs, and smooth stuffs, unmilled, weighing 225 grammes per square metre:—

	Fr.
From 225 to 400 grammes	140
„ 401 to 550 „	200
Above 550 grammes	170

To these specific weight charges, an additional duty of 10 per cent. ad valorem would be added.

The Chambers of Vienne, Louviers, Mazamet, and Lisieux all advocate the duties proposed by the Chamber of Elbeuf.

The Syndical Chamber of the Drapers of Paris desires no change in the tariff for pure woollen cloths, but would introduce a new classification for mixed cloths.

The Syndical Chamber of the Makers of Textiles in Paris opposes the increase of duty asked for by the Chamber of Reims for cloths weighing under 400 grammes per square metre.

Carpets.

The Paris Syndical Chamber of Textiles consider that carpet makers are sufficiently protected by the general and conventional tariffs, except in the case of carpets called points noués, which at present are assimilated to Jacquart-moquettes: they propose that points noués should be assimilated to Persian; that is, be raised from 80 fr. to 186 fr. in the conventional tariff.

But Paris is the only city in which the present scale of duties in the general tariff is not considered too low. The duties proposed at Nimes and Aubusson, as well as at Tourcoing, are about 25 per cent. higher than those of the present general tariff, and even this is considered insufficient by the carpet makers at L'Isle, in the department of Vaucluse, who require an addition to the specific duties of at least 15 per cent. ad valorem.

Mixed Woollens.

Under this head, and specially for cloths and other tissues, milled or not milled, a large measure of protection is demanded by the Chamber of Commerce of Reims. The increase required for mixed cotton and woollens with dominant wool would be up to 200 grammes per square metre, 211 fr., as at present; but for

200 to 300	grammes	186	francs	instead	of	174	francs
300 „ 400	„	161	„	„	„	136	„
400 „ 550	„	136	„	„	„	99	„
550 „ 700	„	99	„	„	„	74	„
above 700	„	74	„	„	„	50	„

The Chamber of Commerce of Vienne would lower the specific

duties, but bring them up to something like the present rate by an addition of 15 per cent. ad valorem in each class. In this the Chamber of Vienne is supported by the Chamber of Tourcoing and the Chamber of Mazamet, but the latter would add 15 per cent. ad valorem in a minimum tariff, and charge 30 per cent. ad valorem in a maximum tariff.

The Chamber of Lisieux proposes a minimum tariff for mixed woollens with cotton warps :—

	200	grammes	..	..	..	140 francs
201 to	300	„	..	..	..	120 „
301 „	400	„	..	..	..	90 „
401 „	550	„	..	..	..	70 „
551 „	700	„	..	..	..	60 „
over	700	„	..	..	..	50 „

and for mixed woollens with silk warp 240 fr.

St. Dié wishes that dyed façonnés should be kept at the present rate, but that this should be the lowest charge and be raised 50 per cent. in the maximum tariff.

The Syndical Chamber for Textiles of Paris thinks the present duties sufficiently protective. The drapers would charge cloths with cotton warp (under the head of cloths, casimirs, and other milled tissues) at the following rates :—

Up	to 200	grammes	200	francs	per 100 kilos.
From 201 „	400	„	140	„	„
„ 401 „	600	„	75	„	„
Above	601	„	45	„	„

The present classification in six divisions is considered by this Chamber to be too complicated, and a classification into four is recommended under the heads of : stuffs for robes, summer cloths, half-season cloths, and winter cloths.

Hosiery.

Under this head the Chamber of Commerce at Reims propose a new set of duties for jersies, classified according to weight, as follows :—

	200	grammes	per square metre	275	francs	per 100 kilos.
200 to	300	„	„ „	235	„	„
300 „	400	„	„ „	211	„	„
400 „	550	„	„ „	186	„	„
550 „	700	„	„ „	161	„	„
Over	700	„	„ „	136	„	„

The Chamber of Roanne accepts the present rates of the conventional tariff, *i.e.*, 524 fr. for gloves, and clothing *non ajustés*, but claims, at the same time, that this duty should apply to shawls, fichus, and other vestments, whether imported in pieces or in cut pieces with the fringes apart. If the finished article were charged with 524 fr., the cut pieces, exclusive of fringes, might be admitted at 425 fr., and pieces at 344 fr.

The Chamber of Commerce of Troyes wants to suppress the

class of hosiery without seams; it also advocates a special duty for jersies similar to that put forward by the Chamber of Reims.

The following duties are proposed by the Paris Syndical Chamber of Hosiers:—

1.	Hosiery in pieces, except fancy	120 fr. per 100 kilos.
2.	„ cut, except gloves, mittens, and jersies	150 „ „
3.	„ diminué and à lisière and hair nets	300 „ „
4.	„ crochet, either in pieces or otherwise, as in shawls, fichus, fringes, head dresses, "bottons," bonnets, vestments, or parts of the same, or coverlets	360 „
5.	Gloves, mittens, jersies	600 „ „
	Berets (Tam-o'-shanters) with milled meshes	35 c. a piece.

Blankets.

The Chamber of Tours asks for a duty of 10 per cent. ad valorem, whilst the Chamber of Orleans expresses approval of the present tariff. The Syndicate of Blanket Makers of L'Isle (Vaucluse) requires an addition of at least 15 per cent. ad valorem to the present specific charge.

Embroidered Woollens.

Both the Chambers of Commerce of St. Quentin and the Syndical Chamber of French Mechanical Embroiderers ask for the introduction of a new class of goods called "embroideries on woollen stuffs," with a fixed duty of 1,000 fr. per 100 kilos. added to the duty on the stuff.

Woollen Yarns.

The Chamber of Commerce of Tourcoing proposes the following tariff for:—

1. Combed woollen yarn.

	Plain.				Dyed.			
	Single.		Twist.		Single.		Twist.	
	Fr.	c.	Fr.	c.	Fr.	c.	Fr.	c.
0 milimetres to 20 milimetres ..	0	30	0	36	0	50	0	56
20 „ 30 „ ..	0	35	0	41	0	55	0	61
30 „ 40 „ ..	0	40	0	47	0	60	0	67
40 „ 50 „ ..	0	45	0	53	0	65	0	73
50 „ 60 „ ..	0	50	0	58	0	70	0	78
60 „ 70 „ ..	0	60	0	70	0	80	0	90
70 „ 80 „ ..	0	70	0	82	0	90	1	2
80 „ 90 „	0	80	0	93	1	0	1	13
90 „ 100 „ and above	0	90	1	5	1	25	1	40

2. Carded yarn (shoddy and other).

0	milimetres	to	10	milimetres,	12	fr. per 100 kilos.
10	„		15	„	18	„ „

DITTO, PLAIN.

0	milimetres	to	10	milimetres,	18	fr. 50 c. per 100 kilos.
10	„		15	„	28	fr. per 100 kilos.
15	„		20	„	37	„ „
20	„		30·500	„	46	„ „
30·500	„	and	above	..	56	„ „

DITTO, DYED.

0	milimetres	to	10	milimetres,	50	fr. per 100 kilos.
10	„		15	„	59	„ „
15	„		20	„	68	„ „
20	„		30·500	„	77	„ „
30·500	„	and	above	..	87	„ „

The Chamber of Elbeuf considers that the spinners of carded wool are injuriously affected by foreign, chiefly Belgian, competition.

It therefore recommends that existing duties should be doubled. But Elbeuf is far more protective than other woollen manufacturing centres. Reims, St. Quentin, Roubaix, and Avesnes think the rates of the general tariff for yarns sufficient to protect manufacturers. Nimes, Lyons, Troyes, and St. Etienne go much further.

The first claims a reduction on yarns used for making tapes, braids, and laces. Lyons would reduce the duties on yarns entering into the weaving of mixed stuffs. Troyes affirms that the yarns used in hosiery should only be protected so far as is positively necessary. St. Etienne would suppress all duties on yarns made into laces. The Syndical Chamber of Textiles of Paris recommends the status quo, because such yarns as are taken from abroad are absolutely indispensable, as they cannot be produced in France; and this is specially the case as regards English woollen yarns, mohairs, and certain carded yarns, in which Belgium has a marked superiority.

The Paris Syndical Chamber for Woollens would abolish the distinction now existing between tapestry yarns and weaving yarns.

The lace makers of St Chamond claim a reduction of duty upon woollen yarns, now chargeable with a duty of 43 fr. 20 c. in the conventional tariff under the head of "Twist for weaving, No. 40."

The same association protests likewise against the high duty of 68 fr. 20 c. on dyed yarns of the same class and number, and advocates the same duties as are charged in the German tariff, viz., 3 fr. 75 c. for plain and single bleached, and 30 fr. for dyed doubles and twists. The Syndical Chambers of the Lace and Net Makers of Calais protest against any increase to the present import charge on woollen yarns. The suppression of the

present duties, and the admission of woollen yarns free, are asked for by the Association of Manufactures of Lyons, the Syndical Chamber of Weavers and Velvet Makers of Lyons, and the union of Syndical Chambers of the same city.

Cotton Stuffs.

It is interesting to note that several manufacturing places, which claim protection against the importation of foreign cottons, are makers of linen and sailcloth, and we discern at once amongst the malcontents the Chambers of Fécamp, Bolbec, and Flers, to which Lisieux and Honfleur may be added, since they advocate an increase of 8 per cent. ad valorem to the duty on cotton cloths, "which compete so strongly with the linens made in those neighbourhoods."

St. Dié, in the Vosges, asks for the present general tariff to friends. But Tarare, speaking for Thisy and Cours, advocates no change for cottons or counterpanes, and, speaking for itself, no change for plain cloth or façonnés and embroideries, whilst claiming for muslins a reduction of duty on the imported yarns from which muslins are made.

The present tariff is considered amply protective by the Syndical Chamber of Tissus and Nouveautés, the Syndical Chamber of Tissues and Textiles, and the Syndical Chamber of the Clothiers and Staymakers of Paris, the clothiers asking for a reduction of the charge on tissues to 15 per cent. ad valorem.

The staymakers are against any increase to the duties on cotton stuffs, twills, embroideries, lace, ribbon, laces, galloons, and serges, and especially cotton sateens, which are not made in France, and which are chiefly used for stays exported to the United States, England, Australia, and South America. For all these articles it is proposed that the goods should be entered free, if declared for re-exportation in a manufactured state.

Free import is also desired for stuffs used in shoemaking by the Shoemakers' Syndicate of Paris, the Loire, Fougerès, Rennes, and Lyons.

Amongst the specific demands for higher duties on certain classes of stuffs, none is more important than that of Roanne, which advocates an increase to the charge on light cottons, called zephyrs, made with dyed yarns of Nos. 30 to 50, as follows:—

Tissues of dyed cotton, weighing 7 to 11 kilos. per 100 square metres:						
35 threads, or less	..	..	..	210 fr.	per 100	per kilos.
36 to 43 threads..	..	..	..	260	„	„
44, or more, threads	..	..	..	300	„	„

The Syndical Chamber of Textiles of Paris asks for classifications by 2 and 2 kilos. per 100 square metre, a most mischievous proposal, leading to difficulties at the customs.

The Chambers of Amiens* and Roubaix require an increase

* Yet Amiens has not 20 velvet looms to work.

to the duty on dyed velvets of 26 threads per centimetre in the warp, to 165 fr. per 100 kilos. Above 26 the duty on plain should be 200 fr., and on dyed and printed 400 fr.

There is an agitation, too, for a heavier surcharge than the present one of 10 per cent. on façonnés.

St. Quentin suggests an additional charge for fine guipures: common articles to remain at present rates, finer as follows:—

For 8 meshes in 25 milimetres	120 fr.	per 100 kilos.
8 to 10 „ „ „	180	„ „
10 „ 12 „ „ „	270	„ „
12 and more meshes in 25 milimetres.. ..	400	„ „

All articles in two cottons or colours, or with Jacquart warp, 50 per cent. in addition. Framed articles 15 per cent. more.

The same Chamber asks for a drawback of 30 c. per kilo. for all guipure exported, that being the amount charged on the imported yarns.

Calais agrees with St. Quentin that fine guipure should have more protection than at present.

The Chamber of Commerce of Arras declares that the specific tariff now in force allows fine hosiery of high price to enter France in large quantities, whereas heavy and cheap hosiery is kept out. The French manufacturer of fine hosiery would be better protected than he is now by the following rates of duty:—

Heavy stockings, of 1 kilo. and 400 grammes and more per dozen, also socks of 900 grammes and more per dozen ..	150 fr.	per 100 kilos.
Ditto, a little lighter	250	„ „
Fine stockings, under 1 kilo. per dozen, and fine socks, under 700 grammes per dozen	400	„ „

The Syndical Chamber of Hosiery of Paris proposes the following classification of duty:—

1. Hosiery in pieces, except fancy	80 fr.	per 100 kilos.
2. Ditto, cut, except gloves, mittens, and jersies	100	„ „
3. Hosiery diminué, and à lisière, and hair-nets	225	„ „
4. Ditto, knitted, or crochet with flat meshes, in pieces or otherwise, or in shawls, fichus, fringes, head-dresses, "bottons," bonnets, vestments, or parts of the same, or coverlets	200	„ „
5. Gloves, mittens, and jersies	600	„ „
6. Berrets (Tam-o'-Shanters) with milled meshes, and cotton	35 fr.	a piece

Whatever duties are taken for articles of hosiery, they should always be calculated so as to represent a charge of 20 per cent. over and above the duty on the yarns from which they are made.

As regards cotton net, the Chamber of Commerce of Calais would consent to the suppression of all duties on the importation of that article, if the yarns suited for the manufacture were admitted free of duty, or if the chemicals required in the preparation of net were allowed to enter free into France. If the duty on raw materials is not repealed, the Calais Chamber thinks that the present duties on bobbin net are protective enough for

all but the finest sorts, but it should be understood that the number of meshes is always to be counted in the sense of the breadth: specific duties should be maintained, the classification modified, and special charges should be imposed upon hand-made or plain net, and machine-made or imitation net.

The Chamber of Commerce of Cambrai would keep the present duties for bobbin net up to seven meshes. Above that 50 per cent. increase would be proper. Cambrai, again, would alter the classification with respect to cotton lace, and suppress the word blonde. It would also require the suppression of the rule which allows fancy articles, such as art guipures and guipure torchon of less than 7 centimetres in height to enter at a lower duty than trimming or lace by weight. The Syndical Chamber of Lace of the Haute Loire is also ready to admit foreign lace, free of duty, if it can only get the yarns without charge, and if foreign nations will lower their duties on French lace.

The Paris Syndical Chamber for Textiles also thinks that some remedy should be found to prevent the fraud, which consists in importing as curtain trimmings, under the name of plain guipure, lace intended for the toilet, thus enabling the importer, who ought to pay 400 fr. for lace, to pay but 120 fr. for guipure.

As regards mechanical embroidery, the Syndical Chamber of French Manufacturers thinks there should be but one duty on all embroidered tissues; it recommends that the duty on the tissue should be the basis of charge, and that there should be a surcharge of duty to represent the labour of the embroiderer. The surtax for embroidery should be at the rate of 1,000 fr. per 100 kilos.

Oil Cloths.

The makers of oil-cloth, leather-cloth, and linoleum ask for a duty of 100 fr. per 100 kilos. on those articles.

Mixed Cottons.

With reference to dyed façonnés, the Chamber of St. Dié proposes that the general tariff rate should be maintained as a minimum and doubled as a maximum.

Plush makers of Nancy declare that the duty of 300 fr. at present charged is protective enough to prevent the importation of similar produce from abroad.

Cotton Yarns.

The suppression, or a notable reduction of the duties on cotton yarns, is advocated by 18 syndicates or weaving associations, at St. Chamond, Calais, Lyons, St. Etienne, Paris, Rennes, and Fougères. The trades interested in this demand are the lace makers of Calais, the stuff printers, weavers, and velvet weavers of Lyons, and the ribbon makers of St. Etienne.

The Syndical Chamber of Tissues and Nouveautés of Paris would be glad if the present duties were not increased, and they would like the charge on fine counts to be reduced. The same or very nearly the same demand is made by the Syndical Chamber of Tissues and Textiles of Paris.

On the other hand, there are fresh claims for protection put in by Roubaix and Tourcoing, who propose to raise the duties on the counts of single yarns, numbers 20 to 100, above the rates of the general tariff, and keep the present general tariff charge for the finer counts above 100.

St. Quentin goes further again than Roubaix, as it proposes a scale beginning with 250 fr. per 100 kilos. for singles measuring up to 20,500 metres per ½-kilo., charging for the measure between 20,500 and 80,500 metres, 125 fr.; between 80,500 and 110,500 metres, 140 fr.; between 110,500 and 200,500 metres, 175 fr.; for 250,500 metres, 375 fr.

Bleached yarns would be taxed at the present rates of the general tariff; dyed at the figures of the present conventional tariff. For twists, St. Quentin alone wishes the scale of the general tariff to be kept for yarns of two or three strains in ordinary hanks, and for the same bleached and dyed, the scale of the present conventional tariff.

Dunkirk wants protection for fishing nets.

Skins.

Opinions are very much divided on the subject of the duties which should be levied on skins. If we consult the glovers of Paris, Grenoble, Millau, and St. Dizier, or the shoemakers of Algiers, they say that leather should be free, or that the present rates should be maintained.

Quimper thinks that French tanners and curriers are sufficiently protected. The butchers of Paris apprehend a fall in the price of meat if the duties on leather should be raised. The wholesale shoe and boot trade of Paris protest against an aggravation of the present tariff, pointing out the danger of a check to exportation, which at present exceeds 100,000,000 fr. (4,000,000*l.*). Increased duties would only be acceptable if export bounties were conceded. On the other hand, the leather cutters of Lyons object to bounties, whilst they admit that a higher tariff must necessarily lead to their introduction.

The shoemakers of the Loire and the cutters of Fougères, Givet, and St. Dié dwell on the injury which they would suffer if the duties were increased.

The Syndical Chamber of Leather Dressers and Dyers at Lyons complains of the competition of kid leather prepared for boots and shoes, but thinks the remedy is to be found in a new classification rather than in an aggravation of the tariff.

The saddlers and harness makers of Paris anticipate a reduction of production and exportation, if the duties on morocco and lacquered skins should be increased.

They point out that the duties at present charged on yellow and

browned skins are excessive, because they are charged as if they were dyed, whereas they are only subject to a mere surface colouring. The duty they recommend instead of that now levied (viz., 60 fr. per 100 kilos. in the conventional tariff) is 20 fr.

The advocates of higher duties are not less numerous than those of a cheaper scale of charges.

Perpignan thinks that no duty should be lower than 20 fr., which is half as much again as is now paid on calf and kid and sheep skins.

Avesnes wishes the duty on lacquered to be raised from 60 fr. to 74 fr. St. Omer proposes to charge the same duties as are levied on similar goods in continental tariffs. Limoges would raise the tariff all round. Montbeliard, Lons-le-Saulnier, and Nancy would put the duties on European leather up to 45 fr., and on leather from the United States, Australia, China, and India to 80 fr. per 100 kilos. Le Mans objects to the present duties as too low, and to the present classification as defective. Morlaix and the department of Finistère want a progressive scale of dues with new and elaborate classification, and Orleans wishes for the same thing, with heavier charges on foreign skins. Sens wants the duty on lustre skins to be doubled. Lorient requires an increased duty all round of 20 per cent. Lisieux is in favour of a subdivision of the present duty of 20 fr. on undenominated skins, the charge on curried leather being raised to 30 fr. per 100 kilos.

St. Pons asks for a duty of 50 fr. per 100 kilos. on all tanned leather.

Rouen and Rennes want more protection; and a revision of rates and classification is demanded by the tanners of the Touraine and Pont-Audemer.

Chymicals.

Lyons, Paris, and Calais are unanimous in advocating free trade in raw materials required for the manufacture of chymicals. All chymicals used in the production of textiles should be imported at low rates, because high duties would be prejudicial to the industries in which such materials are used. If existing rates are to be changed, they should be reduced rather than increased. If increased, the new charge can only be compensated by export drawbacks, which are not easily applied, and, necessarily, lead to fraud.

The duties on soda, salts, acids, and methyllic spirits should be reduced, and free import be allowed in favour of agriculture to pyrites, phosphates, nitrate of potash, sulphate of ammonia, and chloride of potash.

All produce obtained direct from coal tar by distillation should remain free from duty, viz., oils and essences, benzine, benzol, naphthaline, &c. But chymicals obtained from the products of the distillation of coal tar, as exgr. nitro-benzine, nitro-oluene, aniline, &c., should be charged at the rate of 15 fr. per 100 kilos., or about 5 to 6 per cent. ad valorem.

All colouring matters derived from coal tar should be allowed to enter at a reduction of duty of 50 per cent.

On certain articles of interest to British trade the demands of French makers are protective. Marseilles, Nancy, and Avesnes want an additional duty on caustic soda. Paris would be content with the duty of 8 fr., levied under the present general tariff. But the Syndical Chamber of Paris Dyers and Cleaners advocates a lower charge of 3 fr. and 5 fr. per 100 kilos. in the minimum and maximum tariffs respectively.

Dieppe asks for a duty of 1 fr. 50 c. on nitrates of potash and soda; but Granville, Nantes, Orleans, Clermont-Ferrand, and others would keep nitrate of soda on the free list, and Paris thinks that a new duty would have to be compensated by a drawback.

Sulphate of copper now pays a duty of 3 fr. per 100 kilos. It is in great demand for dressing vines. The Chamber of Le Mans would raise the tariff, and the Syndical Chamber of Chymical Industries of Paris wants an increase of 65 per cent., but the Syndical Chamber of Dyers and Cleaners claims entire freedom for the article.

Calais dyers object to any imposition of duty on aniline.

Paris wishes to put oxalic acid into the list of free imports; Arras, Marseilles, and Nimes that the duty of 10 fr. on stearic acid should be increased by 10 to 50 per cent.; Vienne and Paris propose a duty of 16 fr. per 100 kilos.

The dyers of Paris ask for the repeal of the present duty of 10 fr. on chromate of potash and the suppression of the duty on glycerine. But the merchant brokers of Paris would only admit raw glycerine free, charging 12 to 15 fr. per 100 kilos. on distilled and dynamite glycerine.

Machines, &c.

The Syndical Chamber of Lille takes the lead in asking for enhanced duties as follows :—

	Per 100 Kilos.	
	Instead of	Enhanced to
	Francs.	Francs.
Steam engines	6	15
Locomotives	10	20
Locomobiles	10	20
Tenders	8	12
Machines for cleaning flax, cotton, and other textiles	6	20
Spinning frames and looms for net	5	25
Weaving looms	5	20
Paper machines	5	20
Machine for washing and preparing stuffs	5	20
Printing machines	6	20
Agricultural „	6	15
Tubular boilers	12	20
Steel „	25	25
Gasometers, stoves, &c.	8	12
Sugar machines, stills, &c.	10	25
Undenominated looms	10	15
Toolmaking machines, &c.	15	15

Vierzon would be satisfied with 12 fr. for steam engines and 15 fr. for locomobiles.

Elbeuf would charge all machines at the duty of the metal plus 15 per cent. ad valorem. Vienne would let paper machines come in at 6 fr.

Vierzon thinks a charge of 12 fr. on agricultural machines fair. Avesnes and Niort want an increase without giving a figure.

Paris claims a duty of 45 fr. for sewing machines, instead of 6 fr. per 100 kilos.

St. Etienne wishes to levy duty at the rate of 15 fr. per 100 kilos. on steam engines, with less than 75 per cent. of cast iron in them ; the duty on engines with more than 75 per cent. should be 10 fr.

The Union of Mechanical Engineers of Paris wish for a new classification of machines. Nine-tenths should be classed as machines, containing on an average four-fifths of cast iron and one-fifth of steel.

All mechanical motors and tool-making machinery should be allowed to enter at cheaper rates than those of the present tariff.

Valenciennes, on the other hand, holds that machines for making tools, if they contain 75 per cent. or more of cast iron, should pay 10 fr., instead of 6 fr. per 100 kilos. Parts of machines should be taxed like whole machines, and the duty, according to the Chamber of Lille, should be 15 fr. per 100 kilos., and in the case of spinning machinery 25 fr. Douai claims an

increase of duty on carriage springs, and the Forges de France wishes the duty to be raised from 10 fr. to 12 fr. and 16 fr.

Limoges would double the present duties of iron and steel tools, *i.e.*, raise them from 10 fr., 13 fr. 50 c., and 20 fr. to 20 fr., 30 fr. and 40 fr. The charge for awls should be high and ad valorem.

Avesnes and Douai also advocate a heavier duty than that of 20 fr. levied at present on files.

Limoges wants an ad valorem duty on needles. L'Aigle would put the duties as follows :—

	Fr.
Under 0·05 milimetres per 100 kilos.	400
Over „ „ „	200
Coarser	100

The duties on pins and hooks should also be raised from 50 fr. to 75 fr., 150 fr. and 200 fr. per 100 kilos.

Fécamp declares that steel cables are smuggled into France after entering the ports as part of the equipment of ships. The committee of the Forges de France wishes the duty to be raised from 25 fr. to 30 fr., and 40 fr. per 100 kilos.

Silk and Silks.

It is almost needless to say that Lyons protests strongly against any duties on silk, thrown silk, or dyed silk, and has the support of Marseilles, St. Etienne, Avignon, Cambrai, and Calais in this view. But silk-producing places, such as Aubenas, Valence, and Nimes ask for duties on Italian thrown silk, varying from 2 fr. to 10 fr. 0·50 c., to 1 fr. 50 c. on cocoons.

Manufacturers likewise object to any duty on floss silk, and 18 Syndical Chambers of Lyons, Paris, St. Etienne, St. Chamond, Calais, and the Haute Loire are opposed to every form of duty upon silk.

Lyons, Paris, Calais, Troyes, St. Etienne, and St. Chamond ask for a reduction of duty on floss silk yarns.

Great unanimity prevails also amongst the partisans of a low or free tariff for silk tissues. But Paris wishes to tax silk hosiery at 150 fr. to 300 fr., 450 fr., 500 fr., and 600 fr., under a classification similar to that already given for cotton and woollen hosiery.

Wool.

Though a great majority of Chambers protest against a duty on raw wool, there are some agricultural districts (Nevers) which claim 40 fr. per 100 kilos. on wool in mass, 60 fr. on carded, 80 fr. on dyed, and 20 fr. on waste. The butchers of Paris support the agriculturists on the plea that a tax on wool would allow them to sell meat cheaper.

The partisans of duties on wool are also partisans of a duty of 20 fr. per 100 kilos. on hides.

Sea Fish.

Boulogne - sur - Mer, Calais, Dieppe, Fécamp, Honfleur, Lorient, Granville, St. Valery-en-Caux, Treport, all claim duties varying from 15 fr. to 20 fr. to 30 fr. per 100 kilos. on fresh and dried and smoked fish and lobsters.

The Chambers of the Atlantic Sea Board ask for similar protection for sardines.

Lorient wants a duty of 10 fr. per 1,000, instead of 1 fr. 50 c. as at present on oysters.

Dried Fruit.

Several Chambers ask for a duty varying from 18 fr. to 36 fr. on raisins and currants.

Coal and Coke.

There is an agitation in South and Central France in favour of increasing the duty of 12 c. per 100 kilos. of coal to 25 c.; but the great majority of Commercial Chambers wish to keep the present low duties or allow coal to enter free.

I have, &c.
(Signed) J. A. CROWE.

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No. 151.

Reference to previous Report, Miscellaneous Series No. 101

DENMARK.

COPENHAGEN.

Consul Inglis to the Marquis of Salisbury.

British Consulate, Copenhagen,
December 4, 1889.

My Lord,

WITH reference to Report on Dairy Farms in Denmark (101 Miscellaneous Series, 1888), and in view of the frequent inquiries made to me regarding the production of butter in this country, I venture to enclose some particulars concerning a new system of butter shows now for the first time inaugurated here, believing that the information will not be without interest.

From the paper of queries addressed to competitors some idea may be formed of the internal economy of a Danish dairy.

I have, &c.
(Signed) A. P. INGLIS.

Permanent butter exhibition.

A very interesting series of butter shows has been organised by Professor Fjord, the well-known director of the dairy section of the Danish agricultural department, the first of which was opened on November 18 last.

It appears that the shows hitherto held had not been of much practical benefit, and with a view to maintaining the position of this country as a producer of first-class butter, and effectually tracing to their source any faults in manufacture, an entirely new system of shows has been started, in which a large number of dairies, dairy experts, and leading butter merchants of Copenhagen and the provinces will co-operate in endeavouring to advance the general interests. It is expected that the evidence and practical information thus collected can hardly fail to be most instructive to all concerned.

In the printed prospectus, setting forth the aim and general arrangement of these shows, from which the following particulars are taken, Professor Fjord states that, while in many of the countries with which Denmark has to compete the most strenuous

efforts are being made to improve and develop the yield of butter, the produce of this country has not gained in quality, with the rapid increase in the number of associated dairies, whose members, he says, are often not competent to look after the important interests entrusted to them. Complaints, it seems, are not unfrequently heard of want of good-keeping qualities and presence of water in butter; and now that the export of this article has become one of the principal articles of the country's income, it is held to be of the utmost importance that every means be taken to maintain the acknowledged position which it has acquired in the markets of the world, and it is contended that the readiest means to attain this end is to organise butter shows on the following plan:—

Plan, and aims of.

1. A continuous butter show will be held at the expense of the State during several months of each year, and a suitable building will be provided, where an even temperature can be maintained winter and summer.

2. Fresh samples of butter will be accepted every 14 days, to remain on exhibition until the judges have given their decisions; firstly, on the sample as received, and secondly, 14 days later. The casks of butter will be submitted to the judges in no particular order, and so arranged that it will be impossible for them to be guided in their decisions by any outward sign or mark.

Treatment of exhibits and precautions to secure absolute fairness in awards.

A visit made to the exhibition showed that every cask, on receipt, was weighed, first in bulk, and then the contents separately. The hoops at one end having been removed, the cask, with contents replaced, is lifted on to a funnel-shaped stand made of tin, in the bottom of which is a locked receptacle, containing a glass bottle, to receive the brine or water which percolates through the loosened staves. When the judges go their rounds, the cask itself is further entirely concealed from view in a tin cover secured by lock and key to the stand above mentioned. An aperture at the top allows the contents to be tested.

Two distinct testings, to ascertain.

In previous shows, held in 1888, it had been found that many samples of butter classed as "finest" did not after a short time merit that character. In order to obviate this objection there will in the present shows be two distinct testings, with an interval of two weeks.

Loss of weight.

The loss of weight frequently complained of, and which sometimes takes place during transport from the dairy to the merchant's warehouse, may arise, says Professor Fjord, from the water that comes from the butter-milk being imperfectly pressed out; this fluid, mixing with the salt, runs off in the form of brine, and constitutes a fault in manufacture which ought not to occur. He remarks that it will now be an easy matter to determine the loss of weight during the fortnight that the casks remain on exhibition, and every facility will be afforded for ascertaining the cause of these defects.

Preparation not permitted.

3. Dairymen desiring to take part in the shows must, as soon as they receive a communication by letter or telegram, at once (*i.e.*, on the same day) send in a ready-made cask of butter, and

undertake to repeat this as often as required. Butter sent in for exhibition must not be pressed or kneaded again after receipt of such notice. The dairyman in this way will be unable, as in previous shows, to make one special cask of butter with an exhibition in view. It is the dairy's ordinary produce which is to be submitted. Ready-made butter to be sent in.

Competing dairies have, moreover, to send in a return of feeding and system generally followed on the farm, with especial reference to the week during which the cask was sent in. Return showing feeding and general management of dairy.

It is expected that a comparison of the feeding in the different dairies will give a very valuable insight into the influence of certain foods on the quality of butter.

At present the number of dairies that have entered for competition is 360. Entries, 360.

The services of many of the leading butter merchants in Copenhagen and the provinces have been secured as judges. Of these nine act at one time, so that six out of the nine take part in both first and second examinations. The nine are further subdivided into three groups, each of which records an independent judgment on each cask of butter, without communicating with the other two. By each group thus giving an independent award, which will in its turn be subject to comparison with those of the other two groups, it is expected that greater care will be exercised, and that the final award will be invested with an authority it would not otherwise possess. Besides the butter merchants, three dairy experts will be employed, one acting in each group. These officers will thus have an opportunity of gaining a more accurate knowledge of the requirements of the trade; they will learn to recognise what are considered faults in manufacture, and be able to use their experience in the interest of the dairies. Great importance is attached to this working together of the various interests involved. Judges, their selection and arrangement.

Invitations to take part in the shows are sent to dairies equal to turning out at least three casks of butter per week, and therefore likely to have a cask ready when the invitation reaches them. The butter sent is paid for at current market price. The authorities also defray cost of carriage from the station or port nearest to the dairy. As the same dairy will send in butter several times in the course of the year, great facilities will be afforded for ascertaining which are the best-managed dairies, or the reverse. It will then be seen where the art of butter-making can best be learned. Payment for butter sent in. Importance of ascertaining where best butter is made.

The expenses attending these shows, which will be held at intervals of a fortnight during eight months of each year, are estimated at about 165*l.* per month, and the Government grant for the current financial year is about 1,350*l.* Expenses defrayed by the State.

The following queries have to be answered by managers of competing dairies, with special reference to the show of December 2nd. Queries to be answered by competitors.

1. How many pounds of sweet milk are daily made into butter in your dairy?

2. From how many cows is the milk drawn?

3. How many of these cows have calved since August 1st, 1889?

4. How many pounds of butter of the same description as the sample now sent in are made in the dairy daily?

5. Is the butter now sent in the produce of one day's churning? If so, which day's? Or, of several days' churning? If so, which days.

6. How many pounds of milk were used to one pound of butter on the days referred to in query 5?

7. Is the milk set to cream in tubs? or pans? And of what kind? Are the tin pails set to cool in water without ice? or in water with ice? After how many hours is it skimmed? Is the milk churned?

8. Is a separator used? Is the milk warmed before being put into the separator? If so, to how many degrees of heat (Réaumur)? Is the milk cooled off at once after coming from the separator? If so, how? To what temperature? How much per cent. of cream is taken off?

9. Is saltpetre used? If so, how much to 100 lbs. of milk? or to 100 lbs. of cream?

10. With reference to souring cream, at what temperature does this begin; and terminate? How many hours did the cream stand? Is any ingredient used? If so, how is it prepared?

11. With reference to churning and kneading, at what temperature does churning begin? and terminate? How many minutes did the churning occupy? Is the butter when taken out washed in water? Is it washed a second time? How much salt is used per 1 lb. of butter? How often is the butter kneaded after salting? How many hours does the butter remain between salting and final kneading? At what temperature is the butter kept between each time of pressing?

12. Is the dairy satisfied with the quality of its butter? If not, are you acquainted with the nature of its defects? Was the butter merchant satisfied with the last consignment? If not, of what did he complain?

13. With reference to feeding, especially for manor farms, but may be answered by other dairies. Food for new milch cows. Food for old milch cows. Amount per day per cow of the following food stuffs:—Corn, bran, oilcake, turnips, carrots, &c., turnip leaves, cabbage leaves, mangel leaves, ensilage, hay, straw, other food stuffs?

Queries for associated dairies:—What is the usual scale of feeding of milch cows on the farms from which the dairy takes its milk supply? Are any special conditions laid down as to feeding? If so, what are they? With reference to the use of roots as food for cows, how long had the roots been taken up before they were used? How long after milking were the roots given? Had the roots or leaves been lying in the stall during milking time?

N.B.—This form is to be filled in and returned within two days after receipt.

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FOREIGN OFFICE.

1889.

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No. 145.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

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REPORT ON THE

TRADE OF HAMBURG WITH THE WEST COAST OF AFRICA.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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No. 145.

GERMANY.

HAMBURG.

Consul General Dundas to the Marquis of Salisbury.

My Lord, *Hamburg, October* 12, 1889.

I HAVE the honour to inclose herewith to your Lordship a Report upon the Trade of Hamburg with the West Coast of Africa during the years 1888 and 1887, and comparing the year 1888 with ten years ago—1878; which, I believe, will be found to contain some interesting data, and will tend to show to what an extent Hamburg, and, through her, Germany, is developing its trade in that quarter.

The facts most noticeable are, that, in that period, direct and regular steam communication has been established between Hamburg and the West Coast; the shipping between the two countries has increased about four-fold; the importations more than six-fold; and the exportations have more than doubled. In the matter of the importation of Hamburg the West Coast ranks fifth as compared with the transatlantic countries, and takes the fourth place in the exportation of Hamburg.

I have, &c.

(Signed) CHAS. S. DUNDAS.

Report on the Trade of Hamburg with the West Coast of Africa in 1888 *and* 1887, *compared with* 1878.

A study of the details of the trade of Hamburg with the West Coast of Africa during the year 1888 reveals a considerable advance, both as regards the shipping and the volume of trade itself, compared with ten years ago. The principal agency in promoting this progress is, apart from all else, the employment of steam ships.

Shipping 1888–87.

During the past year, 1888, 63 vessels (of which 34 were German), of the gross tonnage of 67,446 tons register, arrived in Hamburg from the West Coast. Of this number 54 were steam ships, with an aggregate tonnage of 65,027 tons register. In the previous year, 1887, the number of vessels which entered the port of Hamburg from the West Coast were 51 (of which 26

were German), with a total of 54,389 tons register, and of this number 47, with a total tonnage of 53,027 tons register, were steam ships.

The departures for the West Coast during the year 1888 amounted to 89 vessels (of which 40 were German), with a gross tonnage of 72,885 tons register. Of this number, 59, with 66,382 tons, were steam ships. In 1887, 70 vessels (of which 33 were German), of 66,134 tons, out of which number 55 were steam ships with 61,607 register tons, left Hamburg for the West Coast.

1888-1878. It will better illustrate the progress made if the shipping of 1888 be compared with that of 1878, in which year we find that 25 vessels, with a total of only 8,054 tons (and of which 10 were German), arrived in Hamburg, and that 98 vessels (48 being German), with an aggregate tonnage amounting to no more than 25,674 tons, sailed out of Hamburg for the West Coast. In this year no steam ships whatever were recorded.

What is remarkable in these figures is that, in the 10 years ending 1888, while the number of vessels had increased by about 25 per cent. only, the tonnage had increased more than 400 per cent. Further, the German share in this shipping, which, computed by the number of vessels, was 47 per cent. in 1878, was pretty nearly the same in 1888, being about 49 per cent. of the number for that year.

Importation. With regard to the trade itself, it is to be observed that the importation has increased in proportion far more than the exportation. This is accounted for by the fact that there are now direct regular lines of steam ships, which naturally return to this their starting point, bringing the goods which in former days were carried by sailing vessels from the West Coast to different ports, wherever freight or market offered. In support of the truth of this explanation, the quantity of the principal article of import—palm kernels—is quoted:—

1878.

Country.	Quantity.	Value.
	Cwts.	£
West Coast	106,453	76,052
Great Britain..	55,566	42,461
France	9,830	7,409

1888.

Country.	Quantity.	Value.
	Cwts.	£
West Coast	973,405	465,958
Great Britain..	133,678	61,102
France	944	572

From these figures it will be seen how extraordinarily the direct import has increased in comparison with the indirect. The values also illustrate the decrease that has taken place in the money value of articles, for, if the values quoted are correct, these articles have decreased over 30 per cent. in value in the last 10 years. During the same period the imports from the West Coast have increased more than six-fold, and the exports more than doubled. Remarkable increase in direct importation.

The total volume and value of the importation and exportation in each of the last two years was as follows:—

IMPORTATION.

Year.	Quantity.	Value.
	Cwts.	£
1888	1,168,783	761,871
1887	899,542	582,114

EXPORTATION.

Year.	Quantity.	Value.
	Cwts.	
1888	1,121,605	Values not given.
1887	820,496	

Ten years ago, viz.:—

IMPORTATION.

Year.	Quantity.	Value.
	Cwts.	£
1878	182,399	184,151

EXPORTATION.

Year.	Quantity.	Value.
	Cwts.	
1878	495,660	Value not given.

Interesting, too, is the comparison of the tables of the principal articles of goods imported from the West Coast last year, and ten years since:—

Articles.	1888.		1878.	
	Quantity.	Value.	Quantity.	Value.
	Cwts.	£	Cwts.	£
Coffee	11,109	34,036	96	511
Cocoa..	917	2,778	..	..
Tobacco	37	270	..	..
Palm kernels	973,405	465,958	106,453	76,052
Palm oil	121,884	112,280	29,036	51,792
Dyewood	20,633	3,283	6,094	970
Ebony	2,990	788	2,372	1,007
Indiarubber	13,679	71,241	3,142	15,518
Ivory..	108	3,676	337	15,456

Ivory.

From these tables it will be noticed that the only article which has fallen off is ivory, and that to the extent of one-third. Strange to say, the explanation of this decrease is also to be looked for in that agency to which attention has already been drawn, as having been the means whereby the direct importation has been so increased in the last decade—viz., improved steam communication. Since steamers returning from the West Coast have called at Havre, the ivory is landed there, even those parcels which have been shipped for Hamburg, because this article realises higher prices in France, especially in Paris, than German manufacturers will give. During the decade, 1870–80, the sailing vessels used to come direct to Hamburg, and, therefore, the importation of ivory was then larger than at present. But even at that time most of the ivory was re-exported hence to Paris. On the other hand, the above tables show that the importation of productions of cultivation have increased enormously in proportion to what may be called natural-growing productions.

As regards the different articles of exportation from Hamburg to the West Coast, spirits still form the most important item; the export of rum, alcohol, and Geneva having about doubled itself, being 652,130 cwts. in 1888, compared with 314,120 cwts. in 1878. All the other articles of exportation, however, show an even larger increase, as will be seen from the following table:— Exportation.

	1888.	1878.
	Cwts.	Cwts.
Refined sugar	2,572	1,644
Tobacco	12,048	2,784
Rice..	90,778	5,053
Wine	4,182	1,005
Beer	16,479	2,919
Mineral waters	2,162	362
Bread and flour	6,081	675
Refined petroleum..	3,594	234
Cotton yarn	984	..
Raw and half manufactured goods	2,512	940
Cotton goods	11,052	3,110
Ironware	20,478	4,559
Gunpowder..	36,320	10,844
Other articles	150,166	125,308
Total	359,408	159,437

Among the articles of exportation, only salt and bricks, both articles of little value, comparatively speaking, and subjected, for reasons which require no explanation, to heavy rates of freight, in proportion to their value, in steam ships, show a decrease.

It is commonly supposed that the trade of the West Coast of Africa cannot be considered as of equal importance with that of other and more highly cultivated countries. Such, however, is not the case, if figures may be accepted as the test of what is actually the position occupied by the West Coast trade in relation to the large and most important port of Hamburg, which holds the first place in Europe after London and Liverpool. If the trade of Hamburg with European countries is excluded, the following table gives a comparative summary of the importation into Hamburg from non-European countries in their order. Comparative status of trade of West Coast with Hamburg.

Country.	Quantity.	Value.
	Cwts.	£
United States	6,646,539	5,125,017
Brazil	1,400,223	4,076,191
Chile	5,420,956	3,249,858
Argentine Republic ..	1,036,041	2,392,135
British India	1,549,428	956,876
West Africa	1,168,783	761,871

Then follow in order Mexico, Columbia, Singapore, Hayti, Uruguay, Japan, Guatemala, Ecuador, Venezuela, Porto Rico and

St. Thomas, Central America, Peru, San Domingo, China, &c. Naturally, it is self-evident that the importation from the West Coast does inno way attain to the proportions of that from the United States, Brazil, and Chile. But it is of considerably more importance, both as regards quantity and value, than that of China and Japan combined; and it is nearly as large as the importation from the British East Indies, which latter includes the many shipments of rice and jute. This classification of the importance of the trade of the West Coast will probably cause some surprise to many. Similar results may be gathered from the exports to the West Coast. The following is a comparative list according to quantity, in cwts., of the volume of exportation to non-European countries:—

	Cwts.
United States	6,919,648
Brazil	1,407,321
Argentine Republic	1,406,511
West Coast of Africa	1,121,605

Then come in order Chile, Australia, Venezuela, China, Japan, Uruguay, British North America, Porto Rico, Columbia, British East Indies, Mexico, &c. In this table, therefore, the West Coast takes the fourth place. After deducting the entire quantity of spirits, viz., 652,130 cwts., there still remain, as the rest of the bulk of Hamburg exports to the West Coast, 469,465 cwts. of other goods, about as large a quantity therefore as the total export from Hamburg to China.

Although the year 1888 showed such a considerable increase in trade in this quarter, as compared with 1887, there are already evidences that the present year of 1889 will be marked by a still further development in this trade.

General remarks.

The resources of the African continent, and what has already been accomplished, open out favourable prospects of the future development of trade with Africa. Only let British merchants, who have done so much hitherto in all parts of the globe, not be slumbering, nor despise their competitors. Let them be vigilant, and up and doing. If one considers that the trade in palm kernels, which up to now may be accepted as the basis of the entire import trade between Hamburg and the West Coast, has only come into existence since 1860–70—during which period only a small quantity was imported,—and that india-rubber, which to-day is one of the principal articles of export from the West Coast, was not exported until a much later date, it may reasonably be inferred that the resources of this vast continent have only as yet been just tapped, and that behind this lies hidden, or only partially revealed as yet, a trade which may take dimensions beyond the dreams of the most enterprising. The exhibits of West African products at the recent Hamburg Exhibition showed what may be obtained there at present even in limited quantities. It must not be forgotten, too, that the West African trade with Great Britain and Hamburg, large as it is, is almost exclusively confined to the

immediate coast districts, and to nearly all such products as grow naturally. But the increasing exportation of coffee, the cocoa and tobacco plantations, show what may be attained if the cultivation of plantations becomes more general.

So it is argued that, as all European nationalities nearly are endeavouring to promote and develop trade and commerce in that quarter of the globe, it may be taken for granted that at present it is only in its infancy. Germans, encouraged by the foregoing results, and the progress Hamburg has made in this one branch of her trade, are reminded that they must have their full share in the future. The success thus far attained is thankfully attributed to those measures adopted by the Imperial Government, which have secured on parts of the coast—Kamerun and Togo—a permanent trade.

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No. 161.

Reference to previous Report, Parliamentary Paper No. 1. *Germany,* 1889 (*C.* 5827).

GERMANY.

BERLIN.

Sir E. Malet to the Marquis of Salisbury.

My Lord, *Berlin, March* 21, 1890.

I HAVE the honour to transmit to your Lordship a copy and translation, by Mr. Esme Howard, of an extract from the "North German Gazette," of the 12th instant, entitled, "What Workmen must do in order to secure to themselves the advantages of the special provisions of the Law of Insurance against Old Age and Infirmity," which is an explanation of the provisions for the enforcement of the special or transitory clauses of the above law.

I have, &c.

(Signed) E. B. MALET.

Extract from the North German Gazette of March 12, 1890.

The following is copied from the official "Gazette":—"What workmen must do in order to secure to themselves the advantages of the special provisions of the Law of Insurance against old age and infirmity, enabling persons insured to enter upon receipt of a pension during the early years of the enforcement of the said law." (These special provisions are called the "Uebergangsbestimmungen," or transitory provisions.)

According to the law of June 22, 1889, respecting insurance against old age and infirmity, pensions will only be granted to persons insured after they have passed through a probationary period ("wartezeit.") This period, in respect to pensions for infirmity, amounts to five contributory years, and in regard to pensions for old age to 30 such years. A contributory year consists of 47 contributory weeks, *i.e.*, calendar weeks, in which the requisite contributions have been paid. Under these clauses, infirmity pensions and old age pensions could only be granted after a lapse of five and of 30 years respectively, after the date of the coming in force of the law.

In order, however, that such persons as become invalids within the first five years, or septuagenarians within the first 30, may not miss the benefits of the Act, transitory provisions have been passed, by which the probationary period shall be reduced with regard to them.

Whoever, therefore, before the coming into force of the Act has been employed in a trade or business in which contributions would have been payable, had the Act been in force, will now be treated as though he had actually paid the proper contributions; and the same holds good in the case of persons who have been prevented from remaining in such employment either by sickness or by military service.

Certificates to this effect must, however, be presented. Whoever, therefore, is desirous of securing the following advantages, consequent upon the transitory provisions, must take care that he will be in a position to present the necessary certificate at the proper time, while measures have already been taken by the authorities for supplying persons concerned with the formulas, upon which the certification shall be attested.

Every individual can see from the following what sort of certificate he will require, and how he is to obtain the same.

I. A person is said to have been in an employment (*i.e.*, condition of service or labour) which, according to the Act, entails the obligation of paying insurance contributions, and which, therefore, will be calculated, during the early transition stages after the enforcement of the Act ("Uebergangszeit"), as part of the probationary period ("wartezeit"), even though such employment should have existed before the Act came into force, and though no insurance contributions should have been paid, *when* he has been employed for wages or salary (*not*, however, for mere board and lodging), as a workman, assistant, apprentice, or servant; as a member of a crew of a German ship for ocean or river navigation; as a railway official, tradesman's assistant, or apprentice, but in these latter cases only when the wage or salary does not exceed the sum of 2,000 marks.

The following do not belong to the employments entailing obligatory insurance:—

Employment with an apothecary, either as assistant or apprentice; employment as an official in the service of the Empire, or of one of the Confederated States; that of soldiers also employed as servants, or that of employés of municipal bodies, whose service entitles them to a pension. (Section 1, para. 1; sections 2–4, para. 1.)

Every employment to be considered in this light will, however, only be taken into calculation after the person employed has completed his 16th year of life; and the employed may also, during the time of employment, not be in a condition almost approaching invalidation, *i.e.*, have so limited a capacity for work that, whether on account of his mental or physical condition, he is no longer able to earn by continuous labour an amount of wages corresponding to his strength and capacity, and equal to at least

one-third of the wages of an ordinary day labourer in the place of employment, as fixed by section 8 of the Sickness Insurance Law. (Section 4, para. 2.)*

II. The certificates to be valid for the attainment of old age or infirmity pensions for the period before the enforcement of the Act must be of the following nature:—

(1) Certificates as to the duration of all employments falling under heading I., which have been going on during the period after January 1, 1886: such certificates can prove useful from that date, or else from November, 1886, up to the day on which the law will be put into force, since the validity of claims upon pensions will be made dependent upon these certificates.

(2) In cases in which the employment has consisted in an uninterrupted condition of work or service under a particular employer, even though such work or service itself may have been from time to time interrupted and then again resumed, a special certificate will be required notifying the duration of such interruptions, since, if they have not exceeded a period of four months in the year, they will be reckoned (for insurance purposes) as time spent in employment. The above provision was drawn up with the special object of meeting the case of the so-called "season" workmen, *i.e.*, persons whose employment undergoes interruptions at certain seasons of the year by reason of its special nature, such as masons, vintagers, &c. Whenever such persons occupy a fixed position of this kind as labourers or servants of a particular employer, so that after such interruptions they regularly resume their work for him, these periods of interruption will be calculated for purposes of insurance as periods of employment, if they do not extend over four months in each year, and if they have not been occupied by some other kind of work† for which wages are received.

(3) It is further of importance for all persons who, on Jauuary 1, 1890, had already reached their 59th year, to obtain certificates relative to the height of the wages of which they were in receipt from January 1, 1888, since the amount of their old age allowance will depend upon the average rate of wages then received by them.

(4) Certificates relative to the duration of every illness entailing incapacity for work, by which any person was prevented after January 1, 1886 (or else after November, 1886), to continue in an employment of the kind specified under No. 1, upon which he had entered not merely temporarily, provided that such illness shall have lasted at least seven consecutive days. Such illnesses, however, are excepted as are engendered by the parties concerned either purposely or in the commission of a crime punishable by law, in guilty participation in brawls or riots, or owing to drunkenness, or to promiscuous sexual intercourse, for time occupied by

* The clauses and paragraphs referred to in brackets are those of the Law of Insurance against old age and infirmity.

† In case of other employment, as specified under No. 1, certificates of the kind mentioned in 1 of No. II. would be necessary.

illnesses of this nature cannot be reckoned as a contributory period.

(5) Certificates notifying all military or naval service completed by any person after January 1, 1886 (or November, 1886), under the law of conscription, if he has been prevented by the same from continuing in an employment of the nature specified in No. 1, provided that he had not entered upon such employment in a merely temporary manner.

Of these certificates, those relating to military service (5) will be supplied by the ordinary military papers. For the other certificates special forms will be made out, which will be free of all fees or stamp dues, and which everybody can have made out for themselves without any great trouble. This will be done as follows:—

Regarding No. 1, a certificate relating to an employment entailing compulsory insurance, and its duration, may be drawn up in two ways.

1. *Either* by an attestation issued by the lower administrative authorities of the place of employment. In cases of employment as a seaman on board a German vessel, the seaman's office at the home port of the ship in question shall take the place of the lower administrative authorities. The lower administrative authorities to deal with the above questions will be the local police authorities and the parochial boards of guardians (Varstände der Gemeinden).

2. *Or* by attestations made out by the employers concerned, which, however, must be further certified by some public authorities.

Whosoever has been employed by one employer only, or by a few during the whole period for which he wishes to have a certificate, will be required to obtain from that employer only, or, if there were others, from each of them an attestation giving, according to date, the commencement and termination of his employment, and then to have the employer's signature certified by the chairman of the parochial board, by the police authorities, or by some other public body.

Should any individual, however, have been employed by a large number of employers during the period for which he requires a certificate, he will do well to lay the attestations of his various employers before the local or police authorities, and to obtain from them another attestation certifying to all his periods of employment together. He would then have to preserve only the one attestation given him by the local public authorities, instead of the many which he received from his several employers. The same course should be pursued in cases where the employer or employers of the parties concerned are prevented, owing to death, or for other reasons, from making out the requisite attestation, but where, at the same time, the fact of the individual in question having been in employment is known to the proper public authorities, or can be certified in any other way.

Regarding 2 and 3, these certificates will be made out in a manner corresponding to that of No. 1.

Regarding No. 4, with respect to certificates as to the duration of an illness (No. 4) during which the person concerned has received an allowance for illness from local, industrial, builders, or guild sick funds, from a parish fund for insurance against sickness, or from any benefit club erected according to the law of the land, the directing board of the above fund or club will be called upon to furnish the requisite attestation. But the attestation must be made out by the parish authorities for a period of illness which extends beyond the time allowed by the sick funds for allotting allowances, or for such persons as did not belong to benefit funds or clubs of this nature during the period of their illness (section 18, para. 1). These attestations may be made out by the superior authorities of their service for persons engaged in the service of the Empire or of the States.

III. It is evident from the above that all persons who, after completing the 16th year of their life, have been in an employment of the nature specified in No. 1, and were not during that period restricted as regards their capacity for labour in the way also specified in No. 1, are much interested in obtaining in due time the certificate respecting the duration of such employment or service undertaken before the coming into force of the Act, as well as respecting the duration of illness, military service, interruptions in service under one special employer, &c., and in a most careful preservation of such certificate when obtained. Such persons are also equally interested—if they shall have completed the 59th year of their life by January 1, 1890—in obtaining in proper time, and carefully preserving, a certificate attesting to the height of the wages which they had actually received while in employment since the year 1888.

For no one can tell that he will not have the misfortune to be invalidated shortly after the enforcement of the Act. Should this occur, those persons who have been careless in regard to obtaining and preserving their certificates may easily lose the advantages provided by the transitory clauses, as well as their right to allowance for infirmity in consequence of their own carelessness. Similar losses, whether as regards the right to an old age allowance, or the amount of such allowance, would also result from careless conduct in this respect.

The following examples may be of service in explanation of the above:—

Example A.—A workman who, at the time of the Act coming into force—probably about January 1, 1891—is in an employment or service, as specified under No. 1, continues therein for at least 47 consecutive weeks, and pays the contributions required by the Act, is struck in the streets by a falling slate, or is taken with a severe illness about the 52nd week, and thereby rendered incapable of earning his bread. According to the provisions of the Act he would then have no right to an infirm allowance, not having paid contributions during the entire probationary period of five contributory years consisting of 47 contributory weeks each, making in all 235 weeks. In spite of this an infirm allowance would yet

be granted to him, if he could prove that, before the Act came into force, and within the last five years before he was incapacitated for work,—which in this case would be the period between the commencement of the year 1887 and the end of the year 1890—he was actually in an employment or service as specified under No. 1, or in a condition corresponding thereto (viz., illness, military service, or interruptions of service under one particular employer) during a period of so many weeks as are wanting to complete the required amount of contributory weeks, namely, 235 of the probationary period—amounting in this case to 235 minus 47 weeks (since, as above stated, 47 was the number of weeks during which he had actually paid contributions according to the Act), that is to say 188 weeks in all. If he can produce a certificate to this effect, he is entitled to receive, according as contributions were paid for him—after the Act came into force—from the 1st, 2nd, 3rd, or 4th wage class, a yearly infirm allowance of:—

Marks.	Pfennigs.		£	s.	d.
110	94	about	(5	10	11½)
112	82	„	(5	12	10¼)
114	23	„	(5	14	3)
116	11	„	(5	16	1¼)

respectively, although out of his own pocket he had only contributed respectively the sums of

		Pfennigs.		Marks.	Pfennigs.	s.	d.
47	×	$\frac{14}{2}$	=	3	29	(3	3½)
47	×	$\frac{20}{2}$	=	4	70	(4	9)
47	×	$\frac{24}{2}$	=	5	64	(5	7½)
47	×	$\frac{30}{2}$	=	7	05	(7	0½)

The persons insured would be deprived of this considerable gain through their own carelessness, if they fail to take steps towards obtaining and properly preserving the certificate required for the period before the Act comes into force.

B.—Supposing a workman who is over 40 years of age at the time of the Act coming into force (January 1, 1891)—that is, who was over 39 years old on January 1, 1890—reaches the age of 71, at which he is entitled to an old age allowance, about January 10, 1894, after he has been in employment entailing compulsory insurance for a period of about 100 weeks after the law has been in force, and has paid insurance contributions accordingly, he will then not have completed the prescribed probationary period of 30 × 47 = 1,410 contributory weeks, and on this account would have no positive right to an allowance for old age. Such an allowance will nevertheless be granted to him, if he can prove that, during the three calendar years immediately preceding the coming into force of the Act, he was actually engaged—for at least 141 weeks altogether—in an employment or service as specified under No. 1, or was in a condition corresponding thereto (illness, military service, &c.).

The "wartezeit" for old age allowance is fixed at 30 years of 47 weeks each.

If the person in question is unable at the same time to prove the average height of the wages he received during these 141 weeks, the lowest wage class will be taken as the proper basis of

calculation in admeasuring the old age allowance with respect to the period before the Act came into force. The yearly old age allowance would amount, if after the Act has come into force contributions have been paid from the second wage class, to only 50 marks + (100 × 6) pf. + [(1,410 − 100) × 4] pf. = 108 marks − 40 (5*l.* 8*s.* 5*d.*). But if the person insured is able to prove that his average yearly wage during the above-mentioned 141 weeks came within the second wage class, and not in the lowest class, the amount of old age allowance, to which he would then be entitled, would come to 50 marks + (100 × 6) pf. + [(1,410 − 100) × 6] = 134 marks − 60 (6*l.* 14*s.* 7*d.*). The insured, therefore, damages himself if he omits, through carelessness, to procure or preserve the necessary certificate as to the duration of his employment, to the amount of a yearly allowance of 108 marks − 40 (5*l.* 8*s.* 5*d.*), and if he omits to procure a certificate attesting the average yearly wage received by him, he loses (134 − 60 −108 − 40) = 26 − 20 marks (1*l.* 6*s.* 2⅔*d.*) All persons, therefore, who are at present engaged in an employment of the nature specified in No. 1, are earnestly recommended in their own interests to take care to procure as soon as possible and to carefully preserve the certificates described in No. II.

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1890.

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No. 171.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

GERMANY.

REPORT ON THE

BEER AND BREWING INDUSTRIES OF BAVARIA.

Presented to both Houses of Parliament by Command of Her Majesty,
JUNE, 1890.

LONDON:
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No. 171.

GERMANY.

MUNICH.

Mr. Drummond to the Marquis of Salisbury.

My Lord, *Munich, June* 2, 1890.

I HAVE the honour to transmit herewith enclosed a report drawn up by Mr. Helyar, second Secretary to Her Majesty's Legation, on Beer and the Brewing Industry of Bavaria.

It is a very complete and interesting report, drawn up with great care, and I feel sure will be appreciated by all engaged in the trade, and as a reference by others.

I have, &c.

(Signed) VICTOR DRUMMOND.

Report on the Brewing Industry and Beer in Bavaria.

Brewing has always been one of the most important Bavarian industries, but of late years its development has attained vast proportions. The celebrity of Bavarian beer is of recent origin, and is due to the great efforts and improvements of Sedlmayer and others. In 1819, for instance, the Bavarian malt-tax only produced 4,000,000 marks (198,000*l.*), while in 1868 the proceeds had risen to 10,000,000 marks (495,000*l.*).

The production of beer in Bavaria in 1868 was as follows:—

Number of Breweries.	Tap or Common Beer.	Lager Bier.	Fine Beer.	White Beer.	Total.
	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.
5,091	3,385,002·7	3,838,909·8	76,894·4	268,332·7	7,569,248

Amount of malt used, 3,909,458·5 hectolitres.

The following comparative table shows the production of beer in Bavaria and in all Germany up to date, and the percentage which the former bears to the latter:—

Year.	Bavaria.	Germany.	Percentage.
	Hectolitres.	Hectolitres.	
1872 ..	10,905,836	32,944,700	33·1
1873 ..	11,256,208	36,988,553	30·4
1874 ..	12,079,760	38,193,874	31·6
1875 ..	12,084,910	38,935,530	31·3
1876 ..	12,347,153	38,857,073	31·75
1877-78..	12,205,377	38,269,023	31·8
1878-79..	12,122,483	37,434,638	32·3
1879-80..	12,152,732	37,183,976	32·6
1880-81..	11,826,764	38,497,196	30·6
1881-82..	12,341,574	39,035,473	31·6
1882-83..	12,112,567	39,250,448	30·9
1883-84..	12,265,412	40,785,208	30·7
1884-85..	12,608,528	42,287,074	29·8
1885-86..	12,665,665	41,770,311	30·3
1886-87..	13,096,237	44,988,200	29·1
1887-88..	13,704,817	47,001,628	29·1
1888-89..	13,525,791	47,602,939	28·4
Average for 17 years	12,311,860	40,052,499	30·72

Amount produced per head of population in Bavaria, 2·47 hectolitres; Germany, 0·91 hectolitres. Amount produced per each brewery, Bavaria, 1,827 hectolitres; Germany, 1,846 hectolitres.

N.B.—The Pfalz paid no malt-tax till June, 1878, and is, therefore, omitted before that date.

To make the comparison in the above table a fair one, about 600,000 hectolitres should be added to the yearly production before 1878 to represent the Pfalz, and 300,000 hectolitres for the same reason for the first six months of 1878.

Coming down to 1875 there were 6,524 breweries at work, viz., 5,125 for brown beer, producing 11,809,772 hectolitres; and 1,399 for white beer, producing 270,037 hectolitres.

In 1876 there were 6,725 breweries at work, viz., 5,191 for brown beer, producing 12,158,096 hectolitres; and 1,534 for white beer, producing 283,366 hectolitres.

Turning to the statistics of exports and imports, the following comparative table shows the increase which has taken place, the destination of the export, and the origin of the import, &c.:—

Year.	Export	Import.
	Hectolitres.	Hectolitres.
1874..	..	11,005·00
1875..	255,971·00	24,152·00
1876..	267,651·00	33,208·00
1877..	571,331·59	43,778·03
1878..	616,117·03	22,332·26
1879..	645,000·00	39,800·01
1880..	748,221·75	34,386·72
1881..	890,363·84	36,676·61
1882..	983,292·23	34.594·94
1883..	1,106,281·68	39,307·07
1884..	1,245,214·43	42,920·87
1885..	1,281,382·28	40,014·02
1886..	1,574,777·21	42,514·05
1887..	1,679,525·93	41,659·67
1888..	1,860,603·70	42,402·72
1889..	2,018,812·28	51,052·62

Proceeding more into detail, the small Bavarian import classifies itself as follows, beginning with 1877 :—

Year.	From North Germany.	From Würtemberg, Baden, Alsace-Lorraine, &c.	From Fore Countries.
	Hectolitres.	Hectolitres.	Hectolitres.
1877	1,618·15	22,620·15	19,540
1878	3,652·44	4,090·82	14,589
1879	8,896·09	22,318·92	8,685
1880	9,379·04	25,007·32	2,464
1881	8,953·27	25,475·84	2,248
1882	10,032·56	22,801·38	1,761
1883	10,715·82	27,218·25	1,373
1884	12,377·56	29,102·31	1,441
1885	9,319·20	29,527·82	1,167
1886	8,436·73	32,839·77	1,238
1887	7,296·96	32,719·71	1,647
1888	6,384·39	33,629·33	2,389
1889	7,684·19	40,930·43	2,438

The Bavarian export may be divided as follows:—

Year.	To North Germany.		To Würtemberg, &c.		To Foreign Countries.	
	With Drawback.	Without Drawback.	With Drawback.	Without Drawback.	With Drawback.	Without Drawback.
	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.
1877...	426,076·97	3,955·68	44,974·03	26,587·48	65,694·28	4,042·88
1878	443,265·45	7,213·25	64,456·88	33,060·14	65,623·42	2,493·02
1879...	462,414·04	1,580·71	122,735·07	2,177·54	57,551·77	864·73
1880...	520,884·81	1,542·34	144,123·54	949·74	80,324·94	396·38
1881...	608,499·93	1,277·96	172,682·09	854·69	105,764·31	284·86
1882...	679,223·07	1,223·43	180,042·09	926·14	126,565·08	311·79
1883...	783,779·16	1,280·51	191,821·73	841·09	128,267·03	291·02
1884...	910,696·57	1,337·09	191,488·94	936·04	140,669·39	301·88
1885...	991,607·04	1,401·35	206,906·33	795·81	175,609·48	319·43
1886...	1,149,925·67	1,525·99	232,639·52	908·44	183,429·77	350·04
1887...	1,237,748·06	1,468·43	252,729·78	948·53	186,275·31	355·82
1888...	1,411,390·81	1,472·02	270,973·97	944·82	175,601·79	320·29
1889...	1,527,455·86	1,405·16	289,483·88	870·09	189,264·61	325·72

The statistics of the last five years are as follows in fuller detail.

In 1885 there were 5,369 brown beer breweries, using 5,510,885 hectolitres malt, and producing 12,414,197 hectolitres brown beer; and 1,618 white beer breweries, using 56,229 hectolitres malt, and producing 245,908 hectolitres white beer, making a total production of 12,665,665 hectolitres.

In 1886 there were 5,341 brown beer breweries using 5,746,550 hectolitres malt, and producing 12,841,946 hectolitres beer; also 1,638 white beer breweries, using 56,783 hectolitres malt, and producing 248,169 hectolitres white beer, making a total production of 13,090,115, not counting the small outlying "enclaves" of Ostheim, Königsberg, &c.

1885 and 1886 were good years for the brewing trade. The barley harvest had been favourable, consequently the prices of barley and wheat were relatively low. Hops, too, were plentiful and cheap. Production, therefore, took place under the most favourable circumstances. The demand for home consumption on the other hand shows a decline, and this tended to keep down production.

In 1887 there were 5,321 brown beer breweries, using 6,060,735 hectolitres of malt, and producing 13,461,786 hectolitres of beer; also 1,649 white beer breweries, using 55,704 hectolitres of malt, and producing 243,031 hectolitres of beer, making a total production of 13,704,817 hectolitres. Besides this, 438,748 hectolitres of the so-called "Nach bier" were produced. The year was a good one for the large breweries, and production and export increased; but loud complaints were made by the small breweries of diminished consumption in the country, particularly in winter, and of the exorbitant percentage of profit asked by inn-keepers, &c.

In 1888 the following table shows the amounts of malt used and beer produced, and the number of private and communal breweries and brewing companies.

	Number.	Malt used.	Amount of Beer Brewed.
		Hectolitres.	Hectolitres.
Private breweries	4,718	4,621,821	10,228,523
Brewing companies	52	1,048,161	2,319,880
Communal breweries	536	342,476	758,000
	5,306	6,012,458	13,306,403
White beer breweries	1,625	51,446	213,757
Total	6,931	6,063,904	13,520,160

426,735 hectolitres of the so-called "Nach bier" was also brewed.

Besides these, there was one vinegar factory, embodying 74 hectolitres of malt, and paying 296 marks malt tax.

In the 536 communal breweries, 6,434 authorised and licensed

persons at different times during the year brewed beer. This makes up the nominal total of brewers to 12,829. It must also be mentioned that the Bavarian "enclaves" in Coburg and Saxe Weimar (Ostheim, Königsberg, &c.), possessed, in 1888, eight private, and 10 communal brown beer breweries, employing 1,417 hectolitres malt, and 813 hectolitres malt respectively, and producing a total of 5,631 hectolitres beer.

The scarcity of fodder produced a lively demand for it by products of brewing at the end of 1888. But, on the other hand, where brewers had to buy horse fodder, they had to pay higher prices.

In Oberbayern complaints continued, respecting the increased malt tax and competition, and trade continued to fall-off.

In Niederbayern business was less than in 1887. Consumption of beer suffered from the rainy season, and from the competition of an abundant fruit crop.

In Oberfranken the year 1888 was prosperous, and business increased. In hops a rapidly increasing business was done, and the good quality of hop beer has secured for it a largely-increasing export trade in North Germany, and even abroad.

In Fürth business was good, and the year a favourable one. In Unterfranken generally only the minority of breweries secured good profits through careful management. The general business was poor, and the Franconian barley inferior in quality.

In the Palatinate trade was good, and the demand for beer increased, only checked, however, by the rainy season.

THE following Table shows the Principal Figures for the Year 1889.

	Number of Breweries.	Malt used.	Amount of Beer Brewed.
		Hectolitres.	Hectolitres.
Private	4,665	4,820,817	10,618,706
Brewing companies ..	60	1,233,707	2,710,332
Communal	535	333,789	735,804
Together	5,260	6,388,313	14,064,842
White beer breweries ..	1,621	50,831	212,228
Total	6,881	6,439,144	14,277,070

Besides this 430,230 hectolitres of so-called "Nach bier" were brewed.

There were also two vinegar factories using 75 hectolitres of malt.

THE following Table shows the Proportions in which Malt was used by the Different Breweries in 1888, as Compared with 1889.

Malt used.	Number of Brewers.	
	1888.	1889.
Hectolitres.		
Up to 100	8,128	7,941
From 100 to 200	1,450	1,474
„ 201 300	676	644
„ 301 500	718	678
„ 501 700	377	415
„ 701 1,000	378	363
„ 1,001 2,000	590	568
„ 2,001 5,000	371	385
„ 5,001 10,000	79	91
„ 10,001 20,000	33	43
„ 20,001 50,000	19	20
Over 50,000	10	10
Total	12,829	12,632

In the above comparative table we see that while the number of brewers using up to 500 hectolitres of malt decreased from 10,972 in 1888, to 10,737 in 1889, the number of brewers using upwards of 500 hectolitres of malt increased from 1,857 in 1888, to 1,905 in 1889. The same causes were in operation as in 1887 to produce this result.

The year 1889 was the most favourable on record for Bavarian brewers. A good harvest of barley, and a superabundant one of hops, combined with a good demand both at home and abroad to make the year an exceptional one. The diminution in the number of small breweries continues. They increased up to about 1880–81, but since that date have regularly declined until 1889. The total number of breweries is no more than in 1889, although the total output has increased by 13 per cent. in the 12 years. The steady demand for export of Bavarian beer, chiefly in North Germany, continued, and there are no present apprehensions of falling-off. The process of the swamping of the small breweries by the large ones is not peculiar to Bavaria, and has been going on throughout Germany. Van der Planitz showed that in five years alone, 2,100 small breweries ceased to exist from similar causes throughout Germany, and this was principally the case in Prussia and North Germany.

Munich.

Munich stands at the head of Bavarian beer production, export, and consumption. At the beginning of the century it already possessed 72 small breweries, while in 1876 there were only 28 large breweries for brown beer, but these produced more than one-tenth of the whole of the Bavarian brown beer, the greater portion being consumed in Munich itself.

PRODUCTION OF BROWN BEER IN MUNICH, &c.

	Hectolitres.
1874	1,213,291
1875	1,238,738
1876	1,269,457
Consumption in 1876	1,074,384
Nüremberg in 1876 also brewed a total of	450,158

The Munich consumption in 1876 amounted to 5·56 hectolitres per head per year, the highest in the world. But as foreigners in Munich are not reckoned, the true figure was somewhat lower. In Vienna the consumption was 2·96 hectolitres, in London 2·54 hectolitres, in Berlin 2·4 hectoiltres, in St. Petersburg 0·67 hectolitres, and in Paris 0·14 hectolitres, at the same date.

The following from another source are the figures of the consumption per head per annum in Munich, as compared with all Germany from 1872 to 1889 inclusive. Foreigners in Munich are reckoned.

Year.	Munich.	All Germany.
	Hectolitres.	Hectolitres.
1872	4·03	1·01
1873	4·33	1·13
1874	4·37	1·14
1875	4·45	1·15
1876	4·51	1·15
1877	4·46	1·13
1878	4·06	1·09
1879–80	4·11	1·10
1880–81	5·46	1·31
1881–82	5·67	1·39
1882–83	5·43	1·36
1883–84	5·44	1·39
1884–85	5·51	1·42
1885–86	5·56	1·41
1886–87	5·63	1·48
1887–88	5·89	1·58
1888–89	5·79	1·54
Average of 17 years	4·93	1·28

The following table shows the steady rise in the production, export, and consumption of brown beer in Munich in the last ten years:—

Year.	Malt Used.	Brown Beer Produced.	Import.	Export	Consumption in Munich.
	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.
1879 ..	619,076	1,361,967	30,279	254,540	1,137,706
1880 ..	602,496	1,325,491	24,119	284,979	1,064,631
1881 ..	671,769	1,477,892	20,691	369,906	1,128,677
1882 ..	707,179	1,555,794	13,164	429,886	1,139,072
1883 ..	709,863	1,561,699	13,251	499,890	1,075,060
1884 ..	803,573	1,767,861	8,120	652,560	1,123,421
1885 ..	958,548	2,108,806	5,865	864,762	1,249,909
1886 ..	1,057,121	2,325,666	6,006	1,049,605	1,282,067
1887 ..	1,164,438	2,561,764	5,998	1,173,124	1,394,638
1888 ..	1,242,062	2,732,536	8,619	1,264,035	1,477,120
1889 ..	1,330,510	2,927,122	5,996	1,327,477	1,605,641
Total ..	9,866,635	21,706,598	142,108	8,170,764	13,677,942

By another calculation, not reckoning foreigners, the consumption per head per annum in Munich was, in 1879, 5·10 hectolitres, and in 1888, 5·31 hectolitres. In the latter year, however, exhibitions and a royal anniversary fête increased the consumption. The proportion of foreigners in Munich is always varying, rending the returns only approximative. It will be observed that since 1879 the export from Munich has increased fivefold, while the consumption has only increased a little more rapidly than the population. Munich has the lion's share of the beer export of Bavaria. In 1869 the Munich export was only 26,507·2 hectolitres, and in 1872 only 59,467·1 hectolitres; thus the export in the 20 years, 1869–89, multipled 500-fold. The principal Munich exporters are G. Pschorr, G. Sedlmayer (Spatenbraü), the largest in Munich, and the Löwenbrauerei (also largely for white beer). Kulmbach, Erlangen, and Nüremberg also export largely.

The large Munich breweries do not produce more than 2·1 hectolitres beer from each hectolitre malt although the official calculation is 2·24 to 1. The reason given is that the public demands from the Munich breweries a good and relatively strong beer, and that beer for export in particular must be strong in quality.

In 1888 the Munich breweries did a good business and showed an increase both within and without the city bounds, in spite of the cool rainy season. The activity of the building trade contributed to this.

In 1889 the favourable season contributed to a large increase in production, consumption and export.

Consumption per head was roughly, 5·35 hectolitres. In 1889 there were, in Munich district (not the city):—

	Number.	Malt.	Brown Beer Produced.
		Hectolitres.	Hectolitres.
Private breweries ..	184	1,085,748	2,327,000
Communal „ ..	2	512	11,160
Brewery companies ..	12	584,440	1,324,025

White beer is also considerably drunk in Munich, and throughout Bavaria, but only by the lower classes. Memmingen is the great centre of white beer production. In the district of of Memmingen, 89,727 hectolitres white beer was brewed in 1888, and in the district of Munich only 35,872 hectolitres. These districts comprise the whole neighbourhood round the respective towns.

Malt tax (Raumsteuer or Malzaufschlag).—Revenue is raised from beer in Bavaria by the tax on malt, the barley or malt being measured, the principle being similar to that in force in Great Britain. By the Malt Tax Law of 1868, a tax of 2 marks 20 pf. (2*s.* 2*d.*) per hectolitre, was laid on malt used in brewing. A corresponding drawback was granted on beer exported from Bavaria. By the law of October 31, 1879, this was changed into

a tax of 6 marks (5*s.* 10½*d.*) per hectolitre malt for brewing, while 4 marks (3*s.* 11*d.*) per hectolitre was laid on malt used in the manufacture of vinegar. Malt used for other purposes went free. A proportionate drawback was allowed on beer exported abroad.

Under the new law of December 8, 1889, a tax of 6 marks (5*s.* 10½*d.*) per hectolitre malt for making either beer or vinegar is levied up to a total of 10,000 hectolitres used, and 6 marks 25 pf. (6*s.* 1½*d.*) on from 10,000 hectolitres to 40,000 hectolitres, and 6 marks 50 pf. (6*s.* 4¾*d.*) on all amounts over 40,000 hectolitres. Thus a brewer who consumed say 45,000 hectolitres malt would pay 6 marks on 10,000 hectolitres, and 6 marks 25 pf. on 30,000 hectolitres, and 6 marks 50 Pf. on the last 5,000 hectolitres, total 280,000 marks. Breweries already existing which did not brew over 6,000 hectolitres malt in 1888, only pay 5 marks (4*s.* 10¾*d.*) per hectolitre on the first 2,000 hectolitres malt used.

The above-mentioned provisions pre-suppose that a hectolitre of beer corresponds to rather more than 2 hectolitres of malt.

Malt not intended to make either beer or vinegar is duty free.

The new regulations came into force on January 1, 1890.

The transit duty from German States is 3 marks 25 pf. (3*s.* 2¼*d.*) per hectolitre beer, and 6 marks 50 pf. (6*s.* 4¾*d.*) per hectolitre of broken malt for making beer or vinegar. Drawback on beer in casks or bottles going out of Bavaria, either aboad or to the other German States, is 2 marks 60 pf. (2*s.* 6⅓*d.*) per hectolitre brown beer, or 1 mark per hectolitre white beer. Brown beer, however, from a brewery producing from 12,000 to 60,000 hectolitres beer, receives 2 marks 75 pf. (2*s.* 8½*d.*) per hectolitre drawback; and brown beer from a brewery producing over 60,000 hectolitre beer receives 2 marks 85 pf. (2*s.* 9½*d.*) per hectolitre drawback. On the other hand, brown beer from a brewery only paying reduced tax, receives 2 marks 10 pf. (2*s.* 1*d.*) per hectolitre drawback on the first 2,700 hectolitres exported. The drawback is paid per bottle both on imported and on Bavarian malt. No returns are possible as yet under the new law, but under the late law the various receipts were in 1887–88 :—

	1887.	1888.
	£	£
Gross receipts	1,799,142	1,793,411
Deduct for drawback	219,837	232,931
Leaving	1,579,305	1,560,480
Add receipts from transit duty from other German States..	6,407	6,406
Entrance duty on above	392	528
Total	1,586,104	1,567,614

Without criticising the new malt tax law it may be observed that although brewers are said to be satisfied with the drawback allowed, the effect has been that the price of beer in Munich has been raised. The graduation of the tax is hardly likely to encourage the large brewers.

The following comparative table shows the proportion borne by the receipts from beer in Bavaria to the similar receipts in all Germany, and the amount of tax on each hectolitre of beer in both :—

Year.	Receipts from Beer.		Percentage of A. to B.	Amount of Tax on each Hectolitre of Beer Brewed.	
	A.—Bavaria.	B.—All Germany.		Bavaria.	All Germany.
	£	£		*s.* *d.*	*s.* *d.*
1872	844,758	1,996,152	42·3	1 7¼	1 2¾
1873	914,700	2,254,418	40·6	1 8¼	1 2½
1874	925,561	2,256,521	40·3	1 7¼	1 2½
1875	957,305	2,341,674	40·8	1 7½	1 2½
1876	980,724	2,376,630	41·2	1 7½	1 2¾
1877–78 ..	981,374	2,368,487	41·4	1 7¾	1 2¾
1878–79 ..	968,670	2,290,187	44·4	1 7¾	1 2¾
1879–80 ..	1,057,867	2,391,945	44·2	1 10	1 3½
1880–81 ..	1,413,266	2,874,005	49·1	2 6½	1 6
1881–82 ..	1,464,477	3,068,748	48·3	2 7	1 7
1882–83 ..	1,427,142	3,018,492	47·3	2 6¾	1 6½
1883–84 ..	1,435,635	3,100,734	46·3	2 6¾	1 6¼
1884–85 ..	1,461,625	3,183,128	45·9	2 6¾	1 6¼
1885–86 ..	1,481,881	3,196,024	46·3	2 7½	1 6½
1886–87 ..	1,511,078	3,400,850	46·0	2 6	1 6
1887–88 ..	1,591,034	3,547,591	44·2	2 7½	1 6½
1888–89 ..	1,572,832	3,614,926	43·5	2 8	1 6¼
Average ..	1,233,463	2,791,142	44·3	2 1¾	1 4½

NOTE.—The Pfalz is omitted up the middle of 1878, when the malt tax was introduced there.

Barley and Hops.—The excellence of Bavarian beer being largely dependent on the quality of Bavarian barley and hops, a few words on the results of recent years are necessary.

Barley.—The following table gives the barley harvest in bushels per acre since 1880 :—

Year	Bushels per acre.
1880	29·046
1881	26·883
1882	30·179
1883	26·677
1884	29·149
1885	28·325
1886	28·531
1887	26·574
1888	28·84
1889	..

Taking the most recent years, the barley harvest of 1885 was good in quality though not specially abundant. That of 1886 was slightly larger in quantity though not so good in quality. The quantity however being sufficient, no great rise in price took place. The harvest of 1887 gave excellent results as to quality.

The barley however was hard, in consequence of the dry heat, and this caused difficulties in bruising the malt. A rise in prices followed as soon as the poor prospects of the 1888 harvest came into view, and the fine 1887 barley was eagerly bought up. The harvest of 1888, though injured by the floods and rainy season, was an average one in quantity, though inferior in quality to that of 1887. An export of barley to North Germany took place, owing to the comparative failure of the barley harvest there. The price of barley in Munich in 1888 varied from 78*s.* to 88*s.* per cwt., or from 24*s.* to 28*s.* per imperial quarter. In 1889 the barley harvest was a good one, especially as to quality, but not over abundant. The price of barley continues in consequence relatively high.

Hops.—Bavaria stands at the head of all the hop countries in mass of production, and very nearly at the head in quality. The great increase in hop cultivation, trade, and consumption of late years dates from 1855–60. There were cultivated with hops, in 1863, 42,627·9 acres; in 1876, 45,540·5 acres; and in 1888–89, 62,516·3 acres. The worst recent harvest was in 1882, 2·9 cwt. per acre; and the best that of 1885, 4·09 cwt. per acre.

In 1887 the harvest was 3·52 cwts. per acre—a good harvest. 1887 hops in demand. In 1888 the harvest was 2·96 cwts. per acre—poor harvest, rise in price of old and good sorts. Inferior sorts unsaleable. In 1889 the harvest was 5·2 cwts. per acre—surpassing even the good year 1885.

The price of hops in Munich in 1888 varied as follows:—

Common country hops, from 80*s.* per cwt. in the spring, to 260*s.* per cwt. in October; lager bier hops, from 150*s.* per cwt. in the spring, to 380*s.* per cwt. in October; finest lager bier hops, from 280*s.* per cwt. in the spring, to 600*s.* per cwt. in October. The hops had been greatly injured by bad weather during the year.

From statistics kindly furnished by Dr. Pott, the average hop harvest of Bavaria for several years past stood at 216,480 cwts., being about 4·16 cwts. per acre, and the average consumption in Bavaria at 78,720 cwts., leaving 137,760 cwts. for exportation at an average price of 166*s.* per cwt., producing over 1,000,000*l.* for the country. But the variations from the average are great. See the following table:—

Province.	Acres in Hops.	Average Yield.	1888 Yield.	1889 Yield.
		Cwts.	Cwts.	Cwts.
Mittelfranken ..	29,652	106,272	108,240	135,792
Niederbayern ..	11,119	57,564	53,136	66,912
Oberbayern ..	8,648	41,328	41,328	48,216
Oberfranken ..	7,413	29,520	26,568	41,328
Oberpfalz	3,459	12,876	10,332	18,696
Unterfranken ..	988	3,936	3,936	4,920
Schwaben	741	2,952	3,247	3,247
Rheinpfalz ..	494	3,148	3,542	3,345
Total	62,513	256,696	250,329	322,456

The amount required for home consumption in 1889 being 108,240 cwts., this leaves 214,216 cwts. available for exportation abroad.

Bavaria is the largest exporting country, and next to England, the largest producing country, the former producing in 1889 as we saw 322,456 cwts. from 62,516 acres, while England produced 497,904 cwts. from 56,833 acres. In England, therefore, a much greater quantity of hops per acre is produced, though the quality is as a rule not equal to the Bavarian. Bavaria produces some 47 per cent. of the whole German hop harvest, 31 per cent. of the production of the continent, some 22 per cent. of that of all Europe, and 20 per cent. of that of the world. Mittelfranken produces the best sorts (including Spalt) and nearly half the hops of Bavaria. Spalt town alone owns 2,000.000 hop poles. Nüremberg again shares with London and New York the chief position among the world's hop markets.

It is in quality that the Bavarian hops excel. Professor Lintner placed the Bohemian hops first in the world (Saaz, Auscha, Dauba) then those of Neutomyschl, then the Bavarian hops (Spalt, &c.), and fourthly the English hops (East Kent, &c.). Experience, however, has modified this estimate. The following very carefully classified table is by Dr. Pott, President of the Bavarian Hop Association:—

		Market Price. October 30, 1889.	
		Shillings per Cwt.	
1. Hops from the town of Saaz in Bohemia, and the town of Spalt in Bavaria and immediate neighbourhood	Saaz ..	130 to 140	
	Spalt ..	125	130
2. Country round Spalt, Kinding, and Saaz ..		72	120
3. Wolnzach, Au, and the lighter kinds of Spalt country		62	85
3A. East Kents, Goldings		80	100
4. Hallertau, Auschaer red lands, Styria, and the best lands in Würtemberg and Baden ..		40	65
5, 6, and 7, inferior kinds		..	

Over-production of hops throughout the world in 1889 clearly exists. Dr. Pott estimates the amount required for brewing in a medium year throughout the world at 1,615,236 cwts., and the average production of hops at 1,694,054 cwts., leaving an overplus of 78,818 cwts., or 4·88 per cent. In 1888, on the other hand, the production of hops, 1,563,182 cwts., was 52,054 cwts., or 3·37 per cent. below this medium demand, while in 1889 the production of 1,954,716 cwts., was 339,480 cwts., or 21·02 per cent. above the same standard. With this excess, Bavaria, with its 214,216 cwts. surplus of hops has to contend. It is considered that the fine quality of her hops will enable her to do so, and to successfully meet the United States, the second largest exporter, with its 118,080 cwts. surplus of hops in the English market, owing to the inferior

quality of the American hops. Dr. Pott considers that in spite of all attempts in various parts of the world to introduce improved hop culture no hops are being, or are likely to be, produced which in any degree approach in quality the finer Bavarian and Bohemian sorts, and that if Bavarian cultivators will take warning by the lesson of over-production now before them, and continue to pay the greatest attention to quality, while cautiously abstaining from increasing the hop area, except here and there under favourable circumstances, there is little danger for the future of Bavarian hop production.

Summary.—The continually and rapidly increasing production of brown beer in Bavaria is shown to grow at a rate far exceeding the natural increase of population. Taking an average of 17 years (1872–89) we found an average production of 2·47 hectolitres per head per annum. In 1880 the production had fallen to 2·24 hectolitres per head, but in 1885 it rose to 2·33, and in 1889 to about 2·57 per head. The immense exports to North Germany sustains and augments the production; the latter, indeed, would be impossible without the former. This export has trebled in 10 years, and at present there are no signs of a falling-off even in the rate of increase. The production of beer in North Germany has, indeed, increased very largely of late years, but without prejudice to Bavarian beer, which maintains its popularity. 1877–78 were poor years, but the percentage of Bavarian production was as high in 1886 as in 1873, thirteen years earlier, and although in the period 1874–84 an actual diminution of 0·6 per cent. took place, this was much more than recovered in 1884–89.

Consumption in Bavaria seems only to keep pace with the natural growth of the population, which is hardly surprising, as the consumption is higher than in most countries. I have seen the consumption per head per annum for an average of years stated at 2·14 hectolitres.

The following are the latest figures procurable:—

In 1880	..	..	..	2·10	hectolitres	per head per annum.
„ 1885	..	..	..	2·09	„	„ „
„ 1889	..	..	..	2·21	„	„ „

1889, however, was an exceptional year.

I have already alluded to the decline of the small, and growth of the large breweries. In 1880, for instance, there were 5,152 private, 355 communal, and 17 shareholding breweries, while in 1889 there were only 4,665 private, 535 communal, and 60 shareholding breweries, showing a diminution of 264 breweries (or since 1879, 284) entirely in the private breweries in 9–10 years. Some regret this gradual disappearance of the small breweries, killed by the large breweries by a slow process of strangulation, and think that the growth of the latter does not entirely compensate for the loss of the former. Still, the prosperity of the industry as a whole increases, and, what is of most importance, the quality of the product improves. The complaints from the districts when the small breweries languish and die out are that the public is

becoming particular and fastidious and difficult to please, a clear proof that a higher standard of quality is being enforced.

The fine hop and barley harvests of 1889 of course gave a great impetus to brewing, although the price of barley was not as low as brewers wished.

The Bavarian brewer has hitherto successfully met his Austrian and North German rivals in the markets of North Germany, and there seems no immediate danger threatening his ascendancy; but as taste in beer is largely a matter of fashion, it would be unsafe to predict that Bavarian beer will always keep intact its present position. Bavarian hops again may suffer a temporary check from the over-production of last year, but the product stands on the sure basis of first-rate quality and ample quantity.

Annexed is a translation of a paper by Dr. Holzner on Bavarian beer production, which he has kindly forwarded.

In conclusion, I beg to acknowledge with many thanks, valuable assistance from Mr. Cadogan, Dr. Kahn, and especially Dr. Pott, to whom I am largely indebted for facts and figures.

Annex.

The Bavarian Brewing Industry, by Professor Holzner.

(Translation.)

Different kinds of beer are brewed in Bavaria. Each kind is divided into several minor varieties. One division is beer by fermentation with head yeast, and another beer by fermentation from below. Of the latter kind, called in Bavaria brown beer, the varieties most in repute are Culmbacher beer, and the so-called Bavarian lager bier.

The Culmbacher is a heavy beer. The specific gravity of the wort is 1,069 to 1,072. A somewhat larger quantity of hops is added in boiling the wort, viz., about 1·4 kilo. ($3\frac{1}{10}$ lb nearly) hops to 1 hectolitre of malt. Culmbacher is divided by its colour into dark and bright Culmbacher beer. The colour of the dark beer is obtained by using roasted malt. In consequence it has a somewhat bitter and burnt taste like that of dextrin.

The most famous Bavarian beer is that brewed at Munich. It is the chief representative of Bavarian beer. The specific gravity of the wort is about 1,056. Only 0·5 to 0·7 kilo. ($1\frac{1}{10}$ lb. to $1\frac{5}{100}$) of the finest hops is added to 1 hectolitre of malt. The attenuation (with water) is comparatively small, as also the acidity. Munich beer consequently tastes somewhat sweet and viscous.

Good Bavarian beer when poured out makes a foam somewhat like cream, which does not entirely disappear for some time. On account of the high percentage of carbonic acid the taste is refreshing and pleasant.

Bavarian beer first attained its wide renown in recent years. The history of the development of the Bavarian brewing industry stands in very close relationship with that of English brewing. In the year 1787 John Richardson published his proposals for new improvements in brewing, and the description of his newly

discovered instrument. On these proposals was immediately based a method through which the English brewers were able to improve their business. Richardson's little book was not unnoticed in Germany; in 1788 Wittekop translated it. But shortly afterwards commenced the wars of France against the nations of the Continent, and particularly Germany. When Napoleon I. was at last taken prisoner, art, science, and industry were destroyed in Germany. Even the excellent book of Poupie, the Bohemian brewer, had become forgotten. It is true that Hermbstädt, in 1814, published the second edition of his book, "Chemical Principles for the Brewing of Beer," but it was little read, since the younger generation had had no school teaching during the war.

It was only in the third decade of this century that scientific men once more arose in Germany who undertook the analysis of beer on the basis of purification from adulteration, &c.—Zenneck, in Stuttgart; and Fuchs, in Munich. Men were still wanting, however, who would make the business of fermentation their study.

In Bavaria and Austria a change now took place. Two young brewers, Gabriel Sedlmayer, senior (who still lives), of Munich, and Anton Dreher, senior (now dead), of Schwechat, near Vienna, went into foreign countries in order to make themselves acquainted with the condition of the brewing industry elsewhere. In 1833 they visited England, where they took note of the careful preparation of malt and the use of the saccharometer. After their return home they applied the English methods to the preparation of beer by fermentation from below.

Since they were now in a position to estimate exactly the results of their labours at each stage of the process of brewing, whilst other brewers did not trouble themselves with forecasting results, they achieved immense financial success. Shortly after setting up in business, they substituted machinery for manual labour. They were the first to build ice-cellars. Deiglmayer, Sedlmayer's nephew, the manager of Dreher's breweries, invented ice-wagons (1867), and Sedlmayer's sons were the first to introduce the refrigeration of cellars by ice-machines.

Sedlmayer and Dreher employed English saccharometers. In 1838 Kaiser, the deceased professor of the Polytechnic School in Munich, constructed a "Procentaraccometer," which is still much used. The deceased Professor Balling constructed at the same date in Prague his well-known saccharometer, and laid down formulæ based on the English process of dilution with water, by which all quantities are represented in percentages of weight. (The Saccharometrical Test of Beer and Brandy. Prague, 1846.)

While Sedlmayer was forming thorough practicians, Kaiser was holding theoretical lectures, which were attended during the period 1838–1871 by more than 1,000 pupils. In the High Agricultural School at Schleissheim, near Munich, discourses on the preparation of beer were given from 1830 downwards. When this school was transferred to Weihenstephan in 1852, the

lectures were continued at the latter place, and, in 1865, a separate section for the study of brewing was established there. Dr. Lintner, senior, and Dr. Holzner, among others, still teach there. The "General Journal of Brewing" is the organ of this school, and is highly thought of even in England. At the conference of German brewers in 1876 at Frankfort, an experimental scientific brewery was established in Munich; Dr. Reischauer was at the head of it till 1877, and from that date Mr. Aubry has been the director of the establishment.

In Austria the progress of brewing was materially assisted by the fact that Balling's saccharometer was introduced for weighing the wort, in order to calculate the excise, just as the densimeter was introduced for the same purpose in Great Britain in 1880. By this means brewers were and still are compelled to weigh and to measure the wort. To this circumstance is owing the fact that brewing in Austria came into bloom earlier than in Bavaria. In Bavaria this sort of indirect encouragement was not forthcoming, but instead, thereof, another circumstance came much to the aid of the industry in this country.

In Bavaria since the year 1516 only germinated grain, *i.e.*, malt, could be used for the preparation of beer. The excise, as is well known, is based on the volume of malt. The Bavarian brewer must not think of employing other vegetable products and substitutes. Thus he loses no time in the study of the preparation of such substitutes. He turns his whole attention to the improvement of the preparation of malt, to the boiling process and fermentation. Friends as well as foes of the system of taxing raw materials and half-prepared materials are agreed in this that the malt tax in Bavaria was and still is the greatest stimulus to the progress of brewing. In Austria the increase of production is taxed, while for the Bavarian brewer the receipts from the overplus is a pure untaxed profit; while for the last 10 years brewing in Austria has not made much further scientific progress, the preparation of beer in Bavaria has been even more and more perfected. This result has also contributed to the fact that the Austrian brewers have taken too little account of consumers' tastes. As Bavarian beer was not so widely known outside Bavaria, Pilsner beer stood high in public esteem. This beer is almost colourless, highly fermented, and is based on a large percentage of hops. The specific gravity is about 1,049. Consequently the beer is thin, bitter, and has a taste of wine. Now, although foreign (*i.e.*, non-Bavarian) countries prefer, as a rule, the sweeter more viscous and less fermented Bavarian beer, the Austrian brewers continue none the less to brew for exportation very clear and highly fermented beer.

But the English brewers, too, have made the mistake of underrating the competition of beer fermented from above. Quite recently, as is well known, a commencement has been made with the brewing of lager bier in Great Britain. Brewers from Germany have been brought over for some of the English lager bier breweries (*e.g.*, at Tottenham, Glasgow, &c., &c.). It may

be feared, however, that these and other lager bier breweries in Great Britain desirous of brewing Bavarian beer in Munich style, will have to pay dear for their apprenticeship, for the English climate is totally different from that of Bavaria. The art of brewing good Bavarian beer lies above all in the proper application of the drying process. This consists, as Professor Holzner explained at Weihenstephan in 1878, first in the drying, and, secondly, in the roasting of the malt. Experience has shown that the drying must be effected at a comparatively low temperature, and also with a certain degree of moisture, which cannot be precisely given in figures. If drying is carried further and then the malt roasted, the beer is not viscous (or full in the mouth). If the malt is roasted before the necessary dryness is reached, the beer is poor, and tastes disagreeably. On the other hand, classes of lager bier less viscous than that of Munich are easier to brew.

The North German brewers are the most active and dangerous competitors of the Bavarian brewers. In Berlin an experimental brewery has been built at a cost of 460,000 marks (23,000*l.*). The Prussian Government pays half, and the Association of North German Brewers the other half.

In Bavaria, at Weihenstephan, on the other hand, only laboratory experiments can be made, which cannot have the same practical importance.

The brewing of beer can only be accomplished in Bavaria with water, malt, hops, and yeast. The addition of any other substance during or after the brewing is punished as falsification by fine or imprisonment. Even the addition of compound parts of the beer, such as alcohol or water, after the beer is brewed is punished as falsification. It is this fact as well as the favourite taste which has procured for Bavarian beer so wide a market. In 1888 there were used 6,012,458 hectolitres malt for the brewing of brown beer (fermented from below), and 51,446 hectolitres malt for brewing white beer (with head yeast). By official statements there were brewed therefrom 13,306,403 hectolitres brown beer, and 213,757 hectolitres white beer. The consumption in the country itself was 11,662,034 hectolitres, and as the population was about 5,500,000, the consumption per head was about 2·14 hectolitres. The taxes amounted to 5·84 marks (5*s.* 10*d.*) per head, and 2·72 marks (2*s.* 8½*d.*) per hectolitre beer drunk in Bavaria.

Beer being the universal drink of the people throughout Bavaria, it is quite a rarity to find anyone drinking his small glass of brandy.

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GUATEMALA.

Consul Chapman to the Marquis of Salisbury.

My Lord, *Guatemala, March* 14, 1890.

I HAVE the honour to forward herewith a copy of a Report by M. Adolf Vendrell, a Member of Belgian and Spanish Agricultural Societies, made by order of the Government on a disease that has attacked certain coffee plantations in the Department of Amatitlan, Guatemala.

As this matter may be of agricultural and scientific interest, I venture to give your Lordship the following summary.

The department of Amatitlan, consisting of some 200 square miles, has an elevation of some 3,990 feet, and in former years the principal industry was the cultivation of cochineal. On the decline of this industry it was succeeded to a great extent by coffee. Owing to the impoverished state of the soil, defective cultivation (it not being the custom to manure the land), and, perhaps, the want of depth of soil, the coffee plantations of Amatitlan have not been famous, nor have these crops ever formed any great proportion of that product of Guatemala; and in 1880 to 1882 a disease appeared on the coffee plants, to which the planters at the present time attribute an annual loss of 50 per cent. of their crops.

M. Vendrell states that this disease is an insect, nothing more nor less than a new species of cochineal that has adapted itself to a different existence, and I enclose a translation of his description of the insect.

M. Vendrell states that although coffee flourishes in Amatitlan, and its cultivation is remunerative, that department has not all the climatic conditions most favourable to its normal development, and consequently the plant, not being indigenous, is, to a certain extent, more susceptible to disease.

The insect, he states, is a standing menace to the coffee industry, as at certain stages it is easily dispersed and transported by the wind to other plantations; and he implies that, although the present species does not thrive on, or affect to any great extent, luxuriant and healthy plants, yet it may adapt itself to other conditions. He recommends the intervention of Government to enforce the destruction of the insect, and suggests the manuring of the land with nitrate.

It is questionable whether the production of coffee in Amatitlan would withstand the charges of a higher cultivation, should there be any considerable fall in the price this article at present controls; and also whether, without Government intervention, the agriculturists of that department would take effective measures to prevent the spread of the disease.

I have, &c.

(Signed) ARTHUR CHAPMAN.

Disease of the Coffee Plant in Amatitlan, Guatemala.

DESCRIPTION OF THE INSECT.

The agriculturists of Amatitlan denote as "chinches," "bugs" (insects), certain small galls or excrescences, similar to small tortoise-shells of some 4 millimetres in diameter (*sic* "diámetro"), on the edges of which are small double points. Examined under a microscope a central crest is observed, which traverses its length, and also a quantity of small points over the whole surface, similar in form to those on certain marine shells. Its colour is variable. When first noticed the insect is very small, and of a reddish colour. As it grows and increases in size, in consequence of the development of the eggs, it becomes a dark yellow, which again takes the colour of the bark of the coffee plant. This last stage occurs when the insect is dry. The outside shell, above described, is at first more or less soft and elastic, when it dries it becomes ligneous and fragile.

This shell covers a membranous sack, which contains a yellowish liquid that has no smell, and is of a bitter taste. At the fore part of the sack or bladder is a kind of tube, by which means the insect absorbs the juices of the plant on which it lives. No other organ is found, and seen through the microscope no movement whatever is perceived; at the slightest pressure it breaks, and the liquid it contains escapes. When this yellowish liquid is examined under a microscope, thousands of little eggs are observed to be contained in it, and in which they become developed. As the development of the eggs continues they become larger, and the liquid diminishes. If we open a dry insect we find no liquid, but innumerable eggs of a reddish-yellow colour, which look like very fine powder, and are transported by the wind as easily as the pollen of flowers. From each egg issues a maggot, which, after going through its metamorphosis, arrives at the stage of the "perfect insect," the only manner of easily describing these microscopic insects.

At the present time (December) the insects are full of eggs and similar to galls. About February and March they dry and contain, according to the local agriculturists, a fine reddish powder, which, in our opinion, is nothing less than the developed eggs, out of which issues the maggot, and after metamorphosis the "perfect insect." The dry specimens we were able to obtain were of last year, the greater number of which only contained vestiges

indicating the previous existence therein of insects. . . . In several we found a few insects barely visible without the microscope. We do not consider that these insects were there accidentally, but rather, that they are the product of the excrescences—called in Amatitlan, "chinches," "bugs"—and which have remained under the skeleton of the mother. The insects we found appeared to us to be of the family of "coccidos," differing in some particulars from the insect which lives on the prickly pear ("Cactus opuntia"). We are of opinion that it is a new species unknown until to-day, to which the name of "coccus cofea" would apply. It belongs to the general form of "artropodos," of the "exapodos" class, of the order of "henupteros," sub-order of "fitofiros," of the family of the "coccidos," according to the classification of Doctor Claus of the University of Vienna.

The females are of the shape of a coffee bean, with a central line across the length, three pair of feet, a sucker or spur at the thorax, very conspicuous small eyes and two or three whitish lines on the body. The male is more or less the same, except that occasionally it has wings, its size is generally larger than the female. The females remain under the mother's skeleton a certain time after leaving the egg,—when the insects abandon the skeleton they run in numbers with great agility over the plant; but as soon as they have selected the place they intend to occupy, their erant life ends, and they live and die on that spot. They usually choose the tender branches and shoots, using the sucker or spur to extract nourishment from the plant. Some time after its establishment it loses its shape of insect, and becomes similar to a gall or excrescence, without any apparent animal characteristics. At this stage it is that it commences to lay eggs.

We are of opinion that the insect which is now found on the coffee plants of Amatitlan is the female of the "coccus" of that plant, in that stage of existence just described, having become similar to a gall or excrescence.

Once the eggs have gone through the necessary evolutions and are developed, the female ejects them and dies covering them with its body.

The male has a similar life, and it is only with great difficulty that it can be distinguished from the female during the first stages. Like the female its life at first is erant, and then it attaches itself to the spot it has chosen. Its cover, as "larva," hardens, forming a kind of shell under which it goes through its second metamorphosis or transformation to "linfa" and then arrives at the stage of "perfect insect." In this stage it abandons its shell and goes to fecundate the females, and then immediately dies.

When the insect at first takes possession of a coffee plant, it is barely noticeable; but after a time an infinity of small red spots appear on the trunk and branches, which increase in size daily, until they reach the size we have given. Then it is that the coffee plants become abnormally yellow, a characteristic symptom of some disease, or the presence of some animal with which it has

to struggle for life, and on examination the insect is found. This insect has the peculiarity to be invisible until the females are pregnant and contain thousands of germs, which after some time leave the mother to multiply in a most astonishing manner, and to invade other plantations. When the coffee plant is young and the shoots tender, the insect causes a slight depression at the place where it attaches itself, which indicates the incomplete development of that portion of the plant as a consequence of the want of juices absorbed by the insect. The same phenomenon occurring simultaneously in all parts of the plant where there are insects, causes the leaves to turn yellow and dry, the growth to be impeded, the plant to appear diseased, and, if it produces fruit, it is small, scarce and of no value.

We have observed a particularity with regard to the fruit which has led us to form an opinion as to the basis of the principal food of the insect. When it appears on a plant of a certain age and exuberant growth, the fruit of the branches most infested ripens before its time and then soon decays.

From the fact described in the last paragraph M. Vendrell concludes that the insect extracts ("azote") nitrogen from the plant.

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No. 143.

ITALY.

PALERMO.

Consul Stigand to the Marquis of Salisbury.

My Lord, *Palermo, August* 30, 1889.

I HAVE the honour to forward herewith a general Report on the Wine Produce of Sicily, as far as can be compiled from statistics up to the present date.

I have, &c.

(Signed) WILLIAM STIGAND.

Report on the Wine Produce of Sicily.

Extent and increase of wine culture in Sicily.

Five years ago it was calculated that one-tenth of the superficial area of Sicily was covered with vineyards. The proportion of soil used for vine culture is greatest in the provinces of Palermo and Trapani, where it amounts to about one-sixth of the whole soil of each province, and is least in the provinces of Messina and Girgenti, the one of which is mountainous and the other chiefly addicted to sulphur. The total of the whole superficies cultivated for wine in Sicily amounted, in 1882, to 211,454 hectares, or 522,502 acres—a territorial area about as large as Cambridgeshire or Warwickshire; and it has since been considerably increased, although as to what extent statistics are wanting, but in some provinces the culture is said to have increased by one-third. The average production of wine in Sicily for the five years ending 1883 was 7,652,200 hectolitres, or 168,548,400 gallons, or more than one-fifth of the total production of all Italy for the same period, and exceeding tenfold the total amount of the whole importation of wine into Great Britain in 1887 and 1888. It will thus be seen that the produce of the vine in Sicily would, if the quality of it were suitable and adapted to the national taste, be more than sufficient, and many times more than sufficient, to supply the demands of the English market for foreign wines; and as wine in Sicily is popularly sold at half the price of beer in England, and sometimes one-quarter the price of the same beverage, there can be no reason why Sicilian wines could not be profitably introduced into England, provided that they were finished off so as to suit English taste.

Obstacles in way of wine export.

Hitherto, however, great obstacles have existed in the way of introducing Sicilian wines into England, due not only to the defective preparations of the great mass of the wines as wines of transport, but also to the difficulty of finding easy channels of commercial communication. Although the chief mass of Sicilian wines is ill-prepared, and not fitted for a foreign market, intelligent and enterprising proprietors have succeeded in producing very estimable wines which are so suited, but after having at great expense of care, labour, and capital produced really sound good wines, find further difficulties in introducing their product into foreign markets. It must be taken into consideration, however, that the whole foreign trade of Sicily is a matter of not 40 years growth. Its only foreign trade before that date was in wine, as made at Marsala by English enterprise, but with the exception of the great English houses of Woodhouse and Ingham, at Marsala, no one in Sicily 40 years ago seems to have had any idea of putting themselves in commercial relations with the rest of the world, as they had no regular intercourse with any foreign nations; the commercial energy of the Florios, however—father and son—have, by the creation of a fine mercantile marine, opened up at length the ocean ways for them and put them in connection with the outer world, and various English lines of steamers now visit Sicily at regular and short intervals, and the most enterprising of Sicilian landowners and merchants have not failed to take advantage of the new openings, and others, if they have not yet followed, still are on the point of doing so.

The chief objects of agricultural industry in Sicily are oranges, lemons, sumach, wine, and oil. These have all increased, more or less, in production of late years, but it is the cultivation of the vine which has received augmentation in the greatest proportion; and in the summer months, when the mountain slopes and fields have, under the desicating and withering heat of summer, assumed a brown desert hue, the large tracts of vineyards extending for miles and miles over hill and mountain side have for the eye a most refreshing aspect. That marvellous plant, the vine, whose leaves and tendrils have been so much be-sung, and formed patterns of elegance from primeval times, stands in need of no irrigation, and maintains its classic foliage in green luxuriance during great part of the year, concealing in the autumn under its thick leaves weighty masses of solid fruit, the juice whereof, if properly utilised, would suffice to rejoice the hearts of many kingdoms.

However, as things are at present, the efforts which have been made to ameliorate the wine culture of Sicily have produced small results in the way of export; indeed, so far as Great Britain is concerned, the whole import of Italian wines into England, as appears from the annexed table, "A," is not much above one-fiftieth part in value of the whole import of wines into England, the value of Italian wines so imported being only 102,475*l.*, as against the whole wine imports of 5,386,361*l.*

How much of this total of Italian wines proceeded from Sicily we have no opportunity of discovering, but the amount must have

been quite insignificant, when consideration is given to the more diffused reputation which such wines as that of Capri, and those of Northern Italy, such as Chianti, Barolo, Barbera, Montepulciano, and the wines of the Valtelina enjoy, as compared with the vintages of the island, which may be said to be quite unknown.

"Vini da taglio" no longer marketable.

There was, however, at one time a brilliant period for the small Sicilian wine growers, so far as concerns the "vini da taglio," or blending wines, as they are called, which were, indeed, for the most part, merely roughly prepared must, which the French bought up in immense quantities during the years when the devastations of the phylloxera had for a time made barren so large a proportion of the vine-growing soil of France. The sudden prosperity which was thus thrust on the small Sicilian wine grower rendered him jubilant for the time, but it was a flash of treacherous prosperity which could not last, and which made the great bulk of wine growers quite indifferent for the time to all notions of making finished wines at home. Their position superficially seemed most enviable. The small grower had merely to produce his grapes and roughly press them, and the expressed must was carried almost straight out of his vats at a high price over to France, and so he was relieved of all the trouble and expense of vinifaction. Hardly was the vintage over when the ports of Sicily, from Palermo to Milazzo, from Milazzo to Riposto, from Riposto to Pachino and Vittoria, were invaded by French steamers, and sailing-vessels, and French buyers, by the end of December each year, had cleared the whole adjacent districts, not only of wine, but of must, for purposes of French fabrication. But this transient prosperity rested on a false basis, and among all the lamentations which have been heard during the commercial crisis, from which all the agricultural districts have been suffering for the last three or four years, those of the Sicilian wine grower have been the loudest; for the exportation to France has now almost wholly ceased, and immense tracts of new vineyards planted with an eye to the French market must either change their culture, or the proprietors must make up their minds to give their products such a form as shall make them marketable in other countries. Indeed, the produce of wine has been materially diminished in Sicily during the year 1888, while Sicilian wines have for some time been accumulating in stock, so that in some places it is affirmed that wine is, or has been, of less value than water.

Efforts of wine growers to improve wine trade.

The deplorable condition of the wine market moved at length the producers of wines to act in a body, and various measures have been proposed for the extension of the wine export; the first consisted in calling upon the Government to assist in finding fresh fields and ports for consumption ("nuovi sbocchi"), but they have themselves also put their own shoulders to the wheel in the formation of a Societá Enologica, and also in the establishment of a Fiera Enologica at Palermo for the exhibition of Sicilian wines.

The most enterprising of Sicilian wine growers having already taken part in the exhibitions of Italian wines at Rome, Bologna, and other Italian towns with considerable success, and also gained

distinction by medals and diplomas at the Italian Exhibition in London, at length determined to hold exhibitions of their own.

Abrogation of treaty with France.

The leading incentive to renewed action on the part of Sicilian wine growers is furnished by the before-mentioned cessation of the exportation to France, which is due mainly, but not wholly, to the failure of the commercial treaty with that country. The export to France amounted habitually to about 3,000,000 hectolitres (66,000,000 gallons) every year, and that, as we said, when it was not more than mere must, in the form of the new rough ill-prepared red wines of the country styled "vini da taglio." The exports went to Cette, Bordeaux, and other places, and were there manipulated, after the French fashion, by admixture of light wines, and thus presented in the European markets as French wines.

The cessation of the exportation to France is, as has been hinted, not due wholly to the breaking down of the negotiations for renewing the treaty of commerce with France, it is caused also by the lessened quantity of demand from France, owing to the increased production of France itself, by the replanting of the vineyards which had been laid waste by the phylloxera.

The accumulation of wines in stock in the interior and in the ports of Sicily has thus been going on for the past two or three years in overwhelming masses, so much so that in some districts casks could not be found for the produce of one vintage without sacrificing the produce of its predecessor. In this state of things, the attention of the producer has naturally been turned to the art of vinification, in which Sicily has in general been lamentably in arrear, so as to turn out wines directly suitable for foreign markets, and in fact to do for himself what the French hitherto have done for him. The results of the late Exhibition certainly show that great progress has been made, but even should the Sicilians succeed in manipulating their wines so as to equal fair Bordeaux and Burgundy wines, there are other considerations which lead to apprehensions that Sicilian wines must for some years contend with the old world-renowned wines in disadvantageous circumstances.

Difficulties in way of wine trade.

It is difficult, in the case of commodities vendible in the market, to change the routine and the old channels of commerce, but an enterprise for establishing markets for new wines, as the Sicilian wines, with the exception of Marsala, may be called, is attended with exceptional disadvantages.

Taste in wines not only varies considerably in different countries, but varies from class to class, and from individual to individual; real connoisseurs in wines are few indeed, and the taste of the greater number is capricious, and founded on tradition, habit, and prejudice, for a large part of those who drink wines would, we imagine, not have a precise idea of what wine they were drinking unless pre-informed. How far prejudice is concerned in the popular taste for wines is especially noticeable in the depreciatory reputation under which Marsala lies as compared with Sherry and Madeira. There can be no doubt that the Marsala wines prepared

by the noted "Baglioni," at Marsala, are equal to any of the wines known as Sherries, except those of the very finest sorts. As for Madeira, for many years the liquid styled Madeira in France is, as is well known, a mere composition, and it may be doubted if much of what passes for Madeira in England has any more right to the title. Cheap Sherries, such as are sold in London, have as little right to call themselves Sherries, and yet there are, we imagine, not a few people who would prefer to purchase any wine called Sherry rather than give a trial to pure and good Marsala.

The question of taste and habit, however, is not the only one to be overcome in the introduction of new wines into England, or, indeed, into any country.

The Sicilian and Italian wine growers are naturally desirous that their products should be widely disseminated in a country where so much money is spent yearly in alcoholic beverages, that we have been said by an eminent statesman to drink ourselves yearly out of our financial difficulties; but they find themselves in England confronted by an immense array of vested interests, anxious for the protection of either their own commodities, or those in which they have made and still make their fortunes as dealers. The great majority of the public-houses in England, being the property of the great brewers and distillers, are virtually inaccessible as houses for sale of Italian wines; nor could the old established and respectable firms dealing in wines and spirits, who have prospered by making themselves agents of communication for the sale of Spanish, Portuguese, and French wines, be expected to take up new products at a risk, and push them in the market.

Defective, however, as we shall show, is the general preparation of Sicilian wines, there are, nevertheless, many wines produced in the island by intelligent and energetic proprietors, which deserve a trial, and which might be found both suitable to the public taste and profitable to the importers; moreover, now that the taste for strong wines has been replaced to a great extent in England and Scotland by a taste for lighter ones, it may be imagined that English capital, as is suggested in one of the appended reports of the Vice-Consul of Sicily, that of the Commendatore Favara, might find profitable occupation in Sicily itself in the fabrication of light table wine of the Burgundy and Bordeaux quality; and that as great fortunes are to be made in this direction as have been already achieved by the enterprising founders of the great wine establishments at Marsala.

Recent collapse of Sicilian wine trade.

At present the wine trade of Sicily, after having received an immense expansion, owing to the advantages they enjoyed until lately of putting their products on the European markets through France, has, in great measure, collapsed. The present paralysis of the wine industry in Sicily had for some time been foreseen by intelligent observers. It was declared long ago, and that by Sicilians themselves, that it was humiliating for Sicily to depend for existence in viticulture upon the sale of "blending wines," or "vini da taglio," to France; and that Sicilian wine growers should

have to rely upon a foreign nation for the making up of their wines into a decent form, instead of doing this for themselves, and that such a state of things could not continue even without a rupture of commercial treaties, since it was well known that the proprietors of vineyards in France were putting forth all their energies to repair the ravages of the phylloxera which had for a time made French wine makers so largely dependent on foreign markets, and that to such an extent, as is well known, that they were making wine extensively of the dried currants of Greece.

The prevision of this certain fate which menaced the wine industry in the future, united with a sense of the humiliation that Sicily should lag so far behind all the rest of the world in wine culture, induced a few years ago various proprietors to devote their attention and capital to the produce of good Sicilian table wines, to be made wholly on the spot, and quite independent of foreign aid. Among the foremost of these enterprising proprietors was the Duca Alberto di Salaparuta, at Casteldaccia, near Palermo, and the Prince Baucina at Montemaggiore, both of whose important operations in wine culture are noticed further on; the Baron Spitaleri on his property near Adernó, on the slopes of Etna, has also acquired a good reputation as an enterprising wine grower, and his Etna "rosso," and even his Sicilian Champagnes and Cognacs are favourably known. For further details with respect to whose operations, I refer to the report of Mr. Vice-Consul Franck, appended to my own. The Duc d'Aumale associated himself with the movement, as the proprietor of large estates at Lo Zucco, where he has produced a wine called Zucco, which may, perhaps, with the wine of Prince Baucina, be classed as the best of light wines hitherto produced in Sicily. The Marchese di Rudini is another energetic wine grower, and the Brothers Favara di Mazzara del Vallo.

The Cavaliere Striglia and the Principe Valdina have also gained distinction as Sicilian wine growers, as also has the Duca di Bronte (Lord Bridport), at Maniace, and others whose names will occur further on.

The remarks which have been hitherto made about Sicilian wines do not include Marsala, the produce and sale of which has been untouched by the crises which have affected the other wines of Sicily. Marsala is quite a wine apart, being originally the creation of English industry, finding its market, chiefly as a table wine, in England, in Sicily, in Italy, and on the Continent; generally it is not considered even as a table wine, but is taken chiefly as a liqueur ranking thus with Sherry and Madeira.

Defects of ordinary wine preparation in Sicily classified.

How great are the improvements introduced by the leading proprietors will be readily seen when it is considered in what primitive fashion wine is still popularly prepared in Sicily, and what are the chief defects in its preparation.

These defects may be classed under three heads:—

1. Negligence in exercising due discrimination as to the proper soils fitted for vine culture. Negligence in the centre of the vine itself in choosing the proper kind of grapes or the proper soils, and in keeping the different kinds of grapes separate, and in

choosing the proper time for the vintage, and in gathering the grapes.

2. The defective treatment of the gathered grapes in the "palmento," or wine press.

3. The defective methods of making the wine, putting it in casks, changing it in casks, and storing it.

Defects under first heading.

With respect to the defects common under the first heading it may be asserted that the Sicilians, with the exception of the few leading proprietors above-mentioned, have yet much, and nearly all, to learn under this heading. The land most favourable to vine culture is light, easily permeable to water, but somewhat retentive by its composition with a sandy sub-soil to allow excess of moisture to run readily off. Lands differing in chemical composition, but possessed of the proper physical quantities, may produce equally excellent wines, and also lands of like chemical and physical constitution produce various kinds of wines according to their variety of exposure and elevation. On the Rhine, for example, wine growers have found by long experience that a southern aspect there is required to produce good wine, all the vineyards on the Rhine being on the north side of the river and having a southern aspeet, and the best wine is grown on the slopes of the hills. In Burgundy experience has led to similar conclusions. In some places, as on the hills of Montrachet, the wine grown on the upper part of the slope is inferior to that grown on the middle parts, but superior to that grown in the plains at the foot.

In Sicily, on account of the greater heat of the climate, no doubt the experience of France and Germany as to exposure and elevation would have to be considerably modified; but so much is certain that the wine grown on the plains and near the sea coast have more alcohol than those grown inland or on the sides of the mountains, and that if a good light table wine is to be produced in Sicily it must be by utilising the upper or middle slopes of the mountains, and this, indeed, is what has been attempted with considerable success at Bronte, by Lord Bridport and his son, Mr. Hood, on the Nelson estate at Bronte, on one of the slopes of Etna, and also by the Baron Spitaleri, at Adernó, both Bronte and Adernó being upwards of 2,000 ft. in elevation; and the Prince Baucina and other proprietors are also making similar experiments. As the whole of the interior of Sicily is mountainous, and there are many towns of considerable size at an elevation of more than 2,000 ft., it may be imagined that large tracts must exist in the inland districts proper for the cultivation of a light wine. Far from paying any attention to such considerations and precautions in the planting of their vines, the creation of vineyards has gone up in haphazard style on an immense scale in Sicily for some years. Grain, cotton, olive, and other crops failing them, Sicilian agriculturists, induced by the high prices offered by French agents, proceeded at once to an indiscriminate plantation of vineyards all over Sicily—uncultivated lands were grubbed up, olive and carob trees cut down year after year to

make room for vines. They never troubled themselves about whether their system of planting was good or bad, as in those years French merchants were ready to carry off their must as soon as it was squeezed out of the grapes at high prices. The produce of the vine, therefore, increased year after year in geometrical progression, the growers had then times of temporary triumph, and never dreamed that a time would come when France would either decline to take or have no need of their roughly prepared must, and the methods of planting the "palmenti" or wine presses, vats, casks and "dispense," or magazines, for storing wines, remained precisely as they were in days when wine was required only for the primitive tastes of the Sicilians themselves.

The greater parts of the vines thus planted and cultivated in Sicily produce white grapes, the proportion of black in some districts being about one to ten. The white grapes are of various kinds, known as "cataratto," "insolia," "damaschino," "trubbiano," "zibibbo," and "moscatella;" the black grapes are almost exclusively of the kind called "pignatello." But these grapes are cultivated altogether, and there is hardly any example of a separate culture being given to each different kind of grape, except in vineyards like that of the Duc d'Aumale, who introduced vines from France, and the Prince Baucina, who introduced vines from Germany, and here it may be mentioned that the moscatel grape, which is capable of producing quite a peculiar wine, and is the best grape of all for table use, is almost unattainable at Palermo, although there is no obstacle in the way of producing it, and is even abundant at Naples. The same want of care which is shown in separating in culture one kind of grape from another is also shown in the plucking of them and sending them to the "palmenti," or wine presses.

The vintage begins habitually in the last week of September and in the first week of October, and they begin with the red grapes which ripen first.

The harvest is carried on by men and boys from early dawn, the clusters are cut off chiefly with knives, the use of scissors being unknown except among the upper class of wine growers, and are either placed in reed baskets or else in small vats of which five or six can be packed on a car of two wheels and then carried off to the "palmento," or wine press. Each group of vintagers is composed of about 15 persons under the direction of an overseer. All the grapes of all kinds, ripe and unripe and rotton, are thrown in together with their stalks, and they content themselves with throwing out an occasional withered branch. When the black grapes have been gathered, then they proceed to the gathering of the white, which takes place in the same fashion.

The opinion of Government Inspectors and others conversant with wine making is, that not only is the gathering of the grapes carried on in this loose fashion prejudicial, but that the vintage is commenced too late, and that they wait until the grapes by becoming too ripe have an excess of saccharine matter, while the acids necessary for the production of a fine table wine have wholly

or in great part disappeared, but such is the proverbial difficulty of getting agriculturists in these parts to change old habits of routine that they smile with incredulity when any representations of this kind are made to them; the wine they have been accustomed to make is good enough for them and their "compari," and they cannot conceive why outlandish people should presume to have different tastes.

Defects under second heading.

We now proceed to the defects of the second heading, the treatment of the grapes in the "palmenti" or barns, in which the wine is pressed. All reports represent these ordinary "palmenti," as being wretched primitive buildings, barbarous both in construction and in appliances, while the processes of wine pressing which go on in them are not only primitive and clumsy, but not unfrequently filthy; but with respect to this latter point it is a Sicilian maxim that all dirt is purified out of the must by fermentation.

The "palmenti" in general consists of a rough stone barn or shed with brick floor, sometimes elevated to the height of a metre; in this floor there are pits or wells sunk to the number generally of 4 or 5, lined and paved with rough stone which apparently are never cleaned. It is usually situated in the courtyard of the farm buildings, and close to the wall of the cellar, and the floor is inclined so as to let the must run from it into a rough clay pipe which passes through the wall of the cellar and conducts the must into a vat.

Vine growers who have no "palmento" of their own, take their grapes to the "palmento" of a neighbour, who lets his "palmento" to them for as many times as they can afford to pay for it, and as may readily be imagined the grapes are not allowed to stay one minute over the time for which they contract.

The grapes are thrown down in heaps pell-mell on the floor by the vintagers, who trample on them as they pass to and fro with their burdens for the use of the wine growers. As the labourers are not particular where they walk, and are continually passing backwards and forwards, a good deal of dirt is imported with the grapes before they ever reach the holes in which they are stamped. The wine pressers themselves wear heavy leathern boots well studded with nails and without heels. They have a stick in their hands to aid them in keeping balance in their tramplings and gyrations, and they begin simply by walking round and round upon the grapes in the stone hole, and then go through various rotatory movements with their feet, in the endeavour to get all the pulp out of the skins of the grapes. Every now and then they pile up the grapes as they are thrown down to them, and make a sort of heap or bank of them, upon which they jump with renewed energy with their feet to press out the must.

The chief inconvenience of this method is that, besides its wastefulness as regards labour, the wine pips get largely crushed in the process and destroy the delicate flavour of the grapes.

With regard to waste of labour, machines are now made use for the pressing of the grapes in the north of Italy, by which two labourers can press as great a quantity of grapes as six labourers

pressing with their feet, besides which the crushing of the grape pips is avoided, the proportion of labour of wine pressing with the feet being about six wine pressers to 15 grape gatherers. While the wine treading is going on it used to be the universal custom to sprinkle the masses of grapes with lime ("gesso") or plaster of Paris; this was done with a view of preventing the wine from turning acid, but the outcry has been so great of late against the use of lime in the manufacture of wine, that, although still largely continued, the most advanced wine growers have abandoned the use of this as well as of other deleterious admixtures which were introduced to remedy the defects of a faulty fermentation. The complaint against using lime with wines is very old indeed. Falstaff gave vent to it in King Henry IV., Part 1, Act II. Scene iv.—"You rogue there is lime in this sack too. There is nothing but roguery to be found in villainous man. Yet a coward is worse than a cup of sack with lime in it—a villainous coward."

If the treatment of the grapes up to the time of entering the "palmento," and in the "palmenti" themselves, leaves much to be desired, the treatment of the must afterwards, and of the wine to the final stages of making up, is still worse.

As long as the use of their wine was confined to Sicilians themselves this was not of so much importance, although a good proportion of the wine went bad from the defective and dirty methods of finishing it off.

The people of the country care nothing for colour or transparency or bouquet, they prefer chiefly white wine, full of body, strongly alcoholic, rather sweet in taste, certainly not dry, and like all people accustomed to a single flavour comprehend with difficulty that people should like any other. In one district of Sicily, which I visited, the wine had acquired an absolutely nauseous, muddy taste from the circumstance that a neighbouring river overflowed from time to time and covered the neighbouring vineyards with silt, yet the people of the place drank such wine with pleasure and cared for no other.

When French buyers came among the Sicilians years ago to get wine to replace the ravages of the phylloxera, they bought chiefly the must fresh from the "palmenti," gave themselves naturally no trouble to teach the Sicilians how to finish their wines, but carried the must off to France and got all the processes of proper fermentation, making and finishing done in France, and then by due admixture with their own light wines cultivated them under the direction of a "maître de chais" up to the required type.

As the French buyers of must, or "vini da taglio," which term is merely euphonious for unfinished wine, now fail them, the unfortunate holders with large stocks on hand, and nobody to buy them, feel quite bewildered, and cannot comprehend why buyers do not catch up their rough products as they used to do, without sometimes even tasting them, trusting to the cleverness of French wine makers in the finishing process. Some of the more intelligent, however, even of the smaller growers, beset by hard necessity and absolute impecuniosity, are beginning to understand that to sell wines in the changed condition of things they must make wines

palatable to consumers, and so as to suit other tastes than their own.

We left the grapes pressed in the "palmenti," when the operation is over there the "sfossamento" takes place, that is, the must is separated from the grapes, pips, and stalks, by means of a strainer, then with buckets or with pumps (if they are so far advanced) the must is removed from the holes of the "palmenti," and thick and dirty as it is, is then put into casks. The grape skins are then put under a press, and the juice thus pressed is united with the former must; the casks are filled to within about half a foot of the bung holes, and fermentation then sets in, and with the usually elevated temperature goes on violently for about 14 days. Defects under third heading.

The casks are then stored away in places called "dispense," or "cantine." The "dispense," or "cantine," employed for cellarage, are stone sheds of the rudest description, built on the level of the ground, with their walls rarely plastered, provided with abundant windows, or rather loop holes, which cannot be closed, and rough open roofs of tiling, so that wind and dust enter freely both from below and from above, and in these primitive structures the wine is exposed to all the vicissitudes of temperature, which in a country subject to the hot winds of the sirocco, are very great, the thermometer in these so-called cellars, arises frequently to 25° Centigrade, or nearly 80° Fahrenheit, and sometimes higher.

But if the cellars are of this noxious character, the butts, or casks, in which the must is laid up, are equally rude and harmful, they are made chiefly of staves of roughly hewn chestnut wood, usually of a capacity of from 10 to 20 hectolitres; they leak a great deal, and when they do so more than usual the aid of the cooper has to be called in to stop the leakages with "gesso" (plaster of Paris), or in the best way he can.

Externally, they are dirty, and covered with mould and dust, which, when scraped away, discloses sometimes an old coating of oil painting beneath; internally they are not cleanly plained, and present protuberances and hollows about, and in which tartar and the dregs of wine accumulate, which give rise to fungoid growths.

One inspector reports that he asked repeatedly if the butts were ever washed, and for every 100 inquiries, the answer was 100 "noes." He says these casks cost 5 fr. (4*s*.) per hectolitre (22 gallons), and that they are dear even at that price, for they begin to leak and to run when they are quite new, as soon as the fresh must is put into them: they remain in this unclean state from one end of the year to the other; and, indeed, he says, all the implements used in wine manufacture are of so coarse a kind, that it would seem that any labour of cleanliness bestowed upon them would be thrown away. In such cellars and in such casks the wine is left to ferment by itself, and when the strong ebullition of fermentation has disengaged a quantity of carbonic acid, and the quantity of must is much reduced, the casks are bunged up, some-

times half full, and never touched again till the wine broker comes to taste the wines, and pack them off if he buys them.

The wine consequently thus prepared is generally dirty in appearance, has a strong taste of dregs, and generally a smell of mildew.

The same expert above-referred to (Claudio Libero), adds, by way of conclusion, that in the days of Noah wine-making could hardly have been carried on in a more primitive fashion.

Remedies proposed.

Professor Pini, another inquirer, who has reported on the wine factories of Sicily, after giving an account of the rude processes in general use, gives the following succinct advice to Sicilian wine growers :—

1. Increase the number of "palmenti."

2. Construct vats of wood, or build up vats above ground in large numbers, to allow of a good and thorough fermentation.

3. See that the cellars, or "dispense," are well-fitted with windows and doors that fasten and close, and see that they are well-protected against winds and atmospheric influences.

4. Burn the old and defective tubs and casks, properly steam those in good condition, keep well those that have to receive the new wine, change the wine into new casks in December, January, and March.

5. Drive out the bad smell in the casks by burning sulphur.

6. Fill your casks every week.

The Professor also suggests that Government commissions to inquire into the state of the Sicilian wine trade can do little good until the above elementary rules are attended to.

The slovenly and irrational processes of culture of the vine, and of wine-making, which we have been detailing, prevail over the whole island among the smaller growers. The larger and more enterprising proprietors have, as has already been mentioned, led the way in preparing a new epoch of vine culture and wine preparation in Sicily, some details as to their operations and their results will show the immense improvements introduced by them in the island vine culture, and among such proprietors is especially noteable the great work of the Duc d'Aumale on his property at Lo Zucco.

The Duc d'Aumale as Sicilian wine producer.

The Duc d'Aumale, who has relations with Sicily through his deceased wife, Marie de Bourbon, a member of the late royal family of Naples by her father the Prince of Salerno, purchased in 1853 the "ex feudo," or former feudal estate of Lo Zucco, and since enlarged it with other purchases, so that his property at Zucco now amounts to about 6,000 ettari (14,826 acres). Besides this property, the Duke has a fine palace with a magnificent garden at Palermo, and this palace, as well as his estate at Lo Zucco, he usually visits every winter.

The Duc d'Aumale may really be styled one of the great benefactors of Sicily, for immediately on entering into possession of his acquired property, he began energetically to organise a system of improved agriculture suitable to the climate and to the soil, and on tracts left to waste, or used only for pasture, com-

menced at once large plantations of sumach, oranges, lemons, pistachios, carob, and other trees suited to the soil. He also made large plantations of the eucalyptus, to remedy the effects of the malaria in the summer, produced by a neighbouring torrent, and these plantations have had the desired effect.

But his chief idea was to form on his property vineyards, and to cultivate the vines, and make wine on the French system, modified by the difference of the climate and the soil. These plantations of vineyards date from 1860, and from that time till 1874 he continued to increase the quantity of surface allotted to vineyards, so that now he has about 500 acres of vineyards, the cost of preparing these vineyards was considerable, as a great part of the soil was covered with olive trees, which had to be rooted up, and he employs daily from 500 to 600 labourers.

Vintage on the estate of the Duc d'Aumale.

The greater part of the vines planted were imported from abroad, from Spain, from the Rhine, and from the Department of Bordeaux, for he aimed at and has succeeded in producing a white wine of the type of Sauterne, although of more body. The best kinds of Sicilian grapes, Catarrato and Inzolia, were also not neglected. Under the care of French managers, and here it may be said that most of the managers of the great vineyards in Sicily are Frenchmen, the best systems of culture of the vine have been put in use without stint in the way of expense, and when the vines have become old in one plantation they are rooted up, the ground well-prepared with manure for a rotation of crops during two years, after which they recommence the plantation of the vine. The vines are also propped to prevent the fruit from touching the ground. The vintage is made with the greatest care, so that unripe or rotten grapes may be excluded. The vintage is made quite a festal occasion in the year for all those who take part in it; and the vintagers annually amounting to about 300 or 400 girls and women, and 100 men are regaled, each with a cup of coffee in the morning, and with a "minestra" of macaroni and vegetables in the evening, while the band of the neighbouring village of Montelepre is engaged during the day in enlivening the "vendemmiatori" and "vendemmiatrici" with music

The work of the women is confined to plucking the grapes in baskets, the men are occupied in carrying the baskets to the nearest "stradale," or pathway, where carts yoked with oxen await their reception; in the mountainous parts this transport is made on the backs of mules. The grapes when so gathered are placed in round, flat baskets, and then carried to the "palmenti," or pressing-houses, where they receive their first treatment, before entering the "palmenti" they are carefully weighed. The transport is made with such care, that the grapes arrive in the "palmenti" unbruised, for bruised grapes would ferment earlier than the others. The work of the vintage occupies from 40 to 50 days.

The grapes as soon as weighed are picked from the stalks and then passed on to the pressing-houses, where, instead of being stamped on by men in rough hobnailed boots, they are pressed by machines, 14 in number, each of which is capable of giving a pressure of

100,000 kilos., and from these pressing-houses the must is run off by zinc tubes into large vats on a level lower than the pressing-houses, and there are 20 of these of the capacity each of 100 hectolitres. In these the must is allowed to remain 24 hours during the time of the first so-called "tumultuous fermentation," then by means of tubes of caoutchou it is run off into pipes still on a lower floor than that of the vats. In these the must remains till the end of the month of March, when it is changed into fresh clean casks, and transported to Terrasini, where are spacious magazines situated on the sea for the final treatment and storing of the wines.

Factory at Lo Zucco.

The establishment at Zucco where the grapes are first received is the principal construction, and is about 420 feet long and about 138 feet broad, and is laid out in three wings; besides the magazines appropriated as cellars—which are constructed, to preserve, as far as possible, a cool and equable temperature—there are premises for oil-pressing on new and improved principles, stabling for horses, and a house for the manager, M. Buchan, with apartments for the under-manager, M. Fouju, and his assistants. The interior courts are planted with trees, and there are plots of flower beds at the entrance, and a fountain in the centre. At either corner of the edifice there are towers as in the baglios at Marsala. One magazine is appropriated to the bottling of wines, and another for the putting of bottled wine in cases.

The three wings of the establishment have space sufficient for from 95,000 to 100,000 hectolitres of wine in casks; the casks are ranged in four sections, in each magazine, in rows of four casks one above the other; there is, besides, space for 30,000 hectolitres of must, which form almost the yearly production. At the time of the vintage there are about 200 workmen employed every day in the preliminary manipulation of the wine, and about 30 or 40 during the rest of the year in the "palmenti" alone.

The must having been prepared as described above, and delivered at the "stabilimento," receives no other treatment there than is necessary for its so-called education for putting it properly in cask and bottling so much of it as has to be bottled. This part of the treatment of wines employs daily from 80 to 100 workmen, of whom, 35 are employed in manufacturing casks for exportation, which is performed with the utmost regard to perfection and cleanliness.

There are two machines for the express purpose of cleansing the casks similar to those at Marsala, where about 20 casks are cleansed at a time by the aid of a steam-engine which gives the casks a gyrating and up-and-down motion, while the casks have water inside them, with chains of iron to exercise a friction in every direction.

Education of Zucco wine.

This education or preparation of the wine is of the simplest character, for the wine is left in its natural state and receives no adjunct whatever, either in the form of alcohol, as is the case with the Marsala, still less is any admixture allowed, such as carob juice or lime, as is the case with inferior Sicilian wines. The only extraneous constituent made use of is the albumen or white

of new laid eggs for clarification to the exclusion of bullock's blood and other blood of animals, which was the general practice.

The only process of change introduced into the primitive wine as formed from the must, is that called the unification of the wine, which consists in mixing, under the direction of a taster, the wines of different parts of the vineyards so as to bring all the wines of the vineyards up to the type adopted, as the type Zucco.

Both white and red Zucco are made, but the white Zucco has attained the greatest success, and is made yearly in greater quantity.

It would take up too much space to take note of various other details with respect to the making of the wine, and the care with which the vats and casks are prepared; enough, however, has been stated to show the liberal, intelligent care in which the manufacture of the Zucco wine is carried, and that the Duc d'Aumale in the management of his large property has been actuated by no narrow views of commercial profit, but with the views of supporting worthily, as a landed proprietor in Sicily, the honour of his name, and of setting an example which might be of profit to his neighbours.

Zucco wine as export.

The Zucco wine thus prepared without any adjunct in its pure state is found capable of supporting the longest sea voyages, and no wine is allowed to be sent out for sale until it is five years of age, and during the time it is so kept in reserve it is changed in cask three or four times a year, and kept, as far as possible, guarded from contact with the air.

There are people who declare the Zucco wine to be the most palatable and most wholesome wine hitherto known, and it is specially relished by invalids as I myself can testify; for during a long fever of two months' duration, and under medical advice, was constrained to take a goodly portion of wine per diem to keep up my strength—the only wines I could tolerate were the Zucco wine and a dry Champagne.

It is difficult to give an idea of the flavour of a wine with the pen, but the Zucco wine seems to me to be of the character of a full-bodied Sauterne, higher in colour and fuller in taste, lighter than Sherry or Marsala, a good stomachic, and with a fine bouquet. At present Zucco is not to be had retail in Palermo, owing to the great demand for it in France, to which country the entire produce is sent at present.

Vineyard of Cavaliere M. Striglia.

The wine is sold in bottles at 2 fr. (1*s.* 7*d.*) each, and in cases of 12 and 25 bottles; also in pipes of 400 litres (88 gallons) at 500 fr. (20*l.*); and also in half pipes and quarter pipes, &c.

Among the proprietors already noted for improvements in the management of vineyards, the Cavaliere Striglia deserves especial mention. He has an estate at Tornamira, near Partinico (Province of Palermo). Although his estate is not large, being in extent about 70 hectares (172 acres), it is quite a model one in its way. The Cavaliere Striglia is a Piedmontese gentleman, who purchased the estate at Tornamira about 15 years ago. When he took it first the farmhouse and out-buildings were in a ruinous state.

There was no road to the place except a mule path joining the high road to Partinico, about seven or eight miles off, and this path had to ford a river which was sometimes so swollen that the products of the farms and vineyards were often piled on the banks of the river for days together. The road cost 260,000 fr. (or 10,400*l.*), and the bridge 90,000 fr. (or 3,600*l.*). The property then consisted partly of pasture land and partly of olive grounds, in a much-neglected condition. The grounds now planted have a north-west aspect, and spread along the side of a hill of about 600 metres (1,950 feet) elevation. This gentleman immediately began to prepare a large proportion of the ground for the culture of the vine, and then planted out the prepared grounds with vines, allowing about 1·30 square metre (52 inches) for each vine. He used little manure, considering that "wild" ground without manure is preferable. There are thus 5,000 plants to a hectare. The proprietor goes on planting fresh vines every year, and has now planted 100,000 vines. The principal kinds made use of are Cataratto, Inzolia, Guarnaccia, Montonaco, and Perricone, with a small proportion of Moscatello. The vines are trained in the usual standard fashion, and supported by canes to the height of three or four feet from the ground. The vines are hoed three times a year and pruned once a year, in February, to the distance of one metre (39 inches) from the ground, to remove the earthy flavour. The vines begin to bear some fruit in the third year, more in the fourth year; some rare specimens bear in the second year, and continue to bear fruit, if properly attended to, for sixty years.

The proprietor does not calculate on any profit until the fifth year, and then only if the harvest is a good one. He calculates that each vine costs 50 centimes (4½*d.*) before it begins to bear.

Vintage time at Tornamira.

The vintage commences about the 10th of October and finishes towards the end of the month. The grapes are carefully gathered in three separate gatherings, which are arranged as to include grapes of the same degree of ripeness, while the rotten ones are picked out. They are carried to the vats in the pressing-house in the usual way, but the vats, of which there are two of large dimensions, are raised high from the ground and have a platform on the top of them, from which the must can run into the vats. The wine pressers are provided every year with a fresh clean suit of clothes and with new boots of yellow leather, with flat-headed nails in the soles, but without heels, so as not to crush the wine pips. The grapes are heaped up on the platforms at the tops of the vats, and the men trample on them, and the juice flows over the platform into the vats. When this stage of the wine-pressing is over, the skins of the grapes are removed and put into a press, and the liquid extracted, which contains a larger amount of tannin, is distributed among the vats. There is also a mechanical wine-press for pressing the superabundant grapes when the harvest is more than usually prolific. When the vats are filled with must the platforms are raised and the vats covered with a cloth, and what is called the "tumultuous" fermentation allowed to go on in the

vats for six days. No alcohol, or lime, or carob juice is added. After six days the wine is placed in casks. At first the casks are examined every week, and as the deposits go on from fermentation are constantly filled up. After a time the casks are examined every month, and then every two months. The wine is changed into fresh clean casks three times in the first year, twice in the second year, and once a year afterwards. When they require clarifying they are clarified with white of egg. The wine thus produced is chiefly red wine. He makes a small quantity of white, but it is of very good quality. He calculates that each hectare should produce 60 hectolitres (534 gallons an acre).

The wine is called "Tornamira," from the name of the property, and is a good sound wine, and is said to have good keeping qualities. It has the flavour of a clean, full-bodied Burgundy, with a delicate pungent taste to the palate. It bears transport very well, and has been prescribed by doctors to their patients when wanting strengthening wines.

The wines of Tornamira are sold in retail at 1 fr. and 2 fr. the bottle according to quantity.

Prince Baucina as wine grower.

Of all the various tentatives, however, made in Sicily to produce wines of a superior and constant type new to the island, that of the Principe di Baucina, already noticed, deserves especial remark. This nobleman, who has one of the finest palaces in Palermo, known as well for its splendid interior as for its fine art collections, is also one of the largest landed proprietors in Sicily; and the Princess his wife possesses a splendid and almost unknown mountainous tract, 3,000 or 4,000 feet high, in the heart of the Madonie, timbered with magnificent oaks and beeches, and overhung by the loftiest peaks in the island, after Etna. The energy with which the Prince has devoted himself as well to public duties as to the duties of a proprietor are highly appreciated in Sicily. He sits as a deputy for Palermo in the Italian Parliament, and his public duties call him to the capital during a considerable portion of the year, while the rest of his time is spent in public duties in Sicily, and in the management of his private estates. Among the many experiments which he has made on his estates is one for the production of a wine of the Rhine wine type, and especially of the type Johannisberg.

The site which he has chosen for this purpose is on his property at Montemaggiore, from which his eldest son receives the title of Marchese di Montemaggiore, near to the station of Montemaggiore, on the line between Palermo and Catania, about 38 miles distant from Palermo. This property called "La Contessa" is on the slopes of a mountain at about 1,800 feet above the level of the sea, and a scientific analysis of the soil, which is argillaceous, has shown that its chemical constituents are in the same proportions as at Johannisberg. The aspect of the mountain slopes are from north-west to north-east, and it would appear from the experiments which have been made that if a southern aspect for the vine is preferable in the north of Europe, here, where the climate is so much warmer, the aspect required to produce

wines of a lighter quality should be to the north-east or north-west.

The greater proportion of the vines were brought from Johannisberg on the Rhine, and up to this time the grapes have preserved their flavour for the wine, though somewhat more alcoholic, approximates very closely to Johannisberg; so much so that the King of Italy, on the occasion of the visit of the Emperor of Germany, sent to the Prince for some bottles in order to show his royal guest how nearly the type of the most renowned Rhine wine had been approached in Italy.

"Vino Montemaggiore" of Prince Baucina.

The Prince has planted 50,000 of vines, which are pruned twice a year, and the vines are expected to last upwards of 60 years. The wine is prepared much with the same care as the Tornamira, but with some difference of treatment; the proprietor has aimed above all at simplicity of treatment, making use, however, of the latest results in enological science; the pressing is done with bare feet, the pressers' feet being carefully washed in warm water each day before mounting the platform; the pressing with bare feet is adopted to prevent the wine pips from being crushed, for a single crushed pip, the Prince considers, is capable of spoiling the taste of a good deal of wine. The skins of the grapes are pressed in a machine as at Tornamira, but all the expressed liquid is not added, as so much tannin is not wanted, neither is the wine allowed to ferment so long in the first stage as this is not advisable for white wine, the "tumultuous fermentation" takes place in the casks and not in the vats, and is not allowed to continue longer than five days, after which it is placed in casks and changed in cask in December, March, and September in the first year, and then every six months. The wine is clarified with white of egg and a little salt in the month of March, after the vintage. The whites of two eggs are allowed for every hectolitre, and these are well stirred up in the wine, which is then allowed to settle; when necessary this process of clarification is repeated; no wine is allowed to be taken out of the casks under three years and a-half, after which it is put in bottle, and then kept in bottle for four months before it is removed from the cellars. The wine has thus time to be changed eight times in cask before being bottled. The proprietor is now making experiments for reducing the quantity of alcohol in the wine, firstly, by a new system of pruning, which is to be carried on more liberally, and by cropping the plant closely to a greater height from the ground; and, secondly, by anticipating somewhat the time of vintage, so that the grapes may be pressed in a less ripe condition, when they contain less saccharine and more acidulous matter, but there has been no time yet to form any conclusive opinion as to the positive results of such treatment.

The wine so produced, according to chemical analysis, is of a clear light amber colour with a fine bouquet proceeding from natural ethers; when tested, shows as compared with Rhine wines a due proportion of acids. It contains no foreign colouring matter. The degree of alcoholic strength as tested by the latest methods

is as 13 per 100. The dry extract obtained by different processes amounts to 18·9 and 17·9 per 1,000.

Professor Arena, of Naples, who has analysed the wine, certifies that from the results of his analysis the wine must be classed for purity and delicate quality among the exceptional wines of Europe, and adds, that having regard to its natural chemical constitution, to its natural colour, and to the proportion of alcohol and dry extract which it exhibits, he does not hesitate to pronounce it as a wine of highly hygienic qualities, and especially adapted for the use of invalids.

The wine is sent forth in bottles such as are adopted for Rhine wines, and of a very elegant make up, and is styled "Vino Montemaggiore," and is sold in Palermo in cases of one dozen and two dozen at the price of 3 fr. a bottle in Palermo, but at the depôts in Rome and Naples at 4 fr. a bottle.

Establishments at Marsala.

With all acknowledgments, however, to the enterprise and liberal spirit of the above-mentioned proprietors, it must be admitted that the first beginning of enological enterprise in Sicily with a view to exportation was made by Englishmen more than a century ago, and the founder or inventor of the wine known universally as "Marsala," and which is the only wine in Sicily of world-wide reputation, was John Woodhouse, the son of a merchant of Liverpool, and who had two brothers, William and Samuel.

John Woodhouse, inventor of Marsala wine.

John Woodhouse appears to have come to Sicily some years previously to 1773, for the purpose of improving the soda trade with England, for soda was then the chief Sicilian export. When he arrived in Sicily he found wine plentiful, and as the wines, chiefly of the Sherry and Madeira type, had with port at that time almost a monopoly in England, and were sold at high prices, he conceived the idea of producing in Sicily a wine of the Madeira type. The earliest records of his expeditions with wine to England date from 1773, in which year he sent 70 pipes of wine to England, fortified with 10 gallons of alcohol per pipe to resist the effects of the long navigation by sailing vessels, for a voyage to England in those days took from 30 to 40 days. Some samples of the wine which he thus first produced still exist at Marsala, and the type of wine has not much been changed from that day to this. The wines which he thus exported to England found so favourable a reception that John Woodhouse, who, at the commencement of his career, went himself on his mule to overlook the transport of wines purchased in the country about Marsala, in the course of 30 years reached a state of considerable opulence. He appears at first to have had no fixed establishment for the reception of his wines at Marsala, but to have hired premises for stores in the close of the Convent of San Francesco di Paola. In 1796, however, with his brothers, John Woodhouse rented a property close to the harbour outside of it, called the Tonnara del Cannezzo, and of this, with adjacent grounds, he finally became the proprietor, and on this site was raised the great quadrangular establishment which exists at this day. By this time the wine of Marsala had acquired such a reputation in Europe, and especially in England,

Nelson's contract for Marsala wine.

that the British Government, in 1800, gave directions that the Mediterranean Fleet under Nelson should be supplied with Marsala wine, and the contract which Nelson signed with the firm for the delivery of 500 pipes is still in existence, and this, as it is a document of some historic interest, I give in full:—

"An Agreement, made and entered into by the Right Hon^ble Rear-Admiral Horatio Lord Nelson, K.C.B., Duke of Bronte, in Sicily, &c., &c., with John and William Woodhouse, Merchants of Marsala, at Palermo, the nineteenth day of March, 1800, to furnish His Majesty's ships, off Malta, with five hundred pipes of the best Marsala wine to be delivered there free of freight, and all other charges, without loss of time, at one shilling and five pence sterling per gallon, wine measure, and to be paid for in Bills upon the Commissioners for victualling His Majesty's Navy at the usual date by the respective Pursers of His Majesty's ships to which the wine is delivered, and should any of the casks be wanted with the wine an additional charge is to be added of one pound sterling each pipe."

The lines which follow are in Nelson's own handwriting:—

"The wine to be delivered as expeditiously as possible, and also to be delivered within the space of five weeks from this date; a convoy will be wanted for the vessel from Marsala, but all risks are to be run by Messrs. Woodhouse.

"(Signed) For brother and self,
"JOHN WOODHOUSE.
"(Signed) BRONTE NELSON."

Mr. John Woodhouse speedily acquired a large fortune; he not only built the great baglio at Marsala, which has served as a model to the great rival establishments of Ingham and Florio, which rose up subsequently, but he established subsidiary factories at Mazzara and at Malta, as the centre in those days of Mediterranean commerce. He bought, also, large tracts of vineyards and raised magazines upon them, besides buying up largely every year the vine produce of the Marsalese district; and the opening of his operations on September 8th, in each year, when he gave out from his central magazine, at Petrosino, the price at which he was ready to purchase grapes and must, was celebrated as a popular festival, and the whole of the time of the vintage was regarded as a festal period for the country people.

In the course of 30 years he acquired a position and a fortune which seemed colossal in the eyes of his neighbours. He took successively three brothers as partners into his business, who traded as the firm of Woodhouse Brothers. The brothers rendered various services to the Kings of the two Sicilies in the way of advances of money at various times in their necessities, commencing from the period when Ferdinand I. took refuge in the Island, and besides other public services, made the harbour of Marsala, of which the mole constructed entirely at the expense of John Woodhouse remains to perpetuate his name.

Indeed, his memory lives among the people as a general benefactor, and as the founder of the prosperity of Marsala and the

adjacent districts. The city of Marsala has increased in population threefold since the formation of the first establishment of John Woodhouse, numbering at the present time 43,000 inhabitants. This rise of Marsala is quite exceptional among the cities of Sicily. The rival establishments at Marsala have followed the lead of John Woodhouse, as well in the manufacture of their wines as in the employment of labour in the kind and liberal treatment of their operatives, and the country people and producers with whom they have to deal. The operatives of the great baglios form, with their families, a considerable part of the population of Marsala, and are a most respectable and orderly body of men, and on fête days their appearance and that of their families is remarkable for the cleanliness and neatness of their attire. Both they and the country people around are better dressed and fed than the labouring classes of any other part of Sicily, and the relations between capital and labour are nowhere on a better footing.

The Woodhouse firm has now branch establishments at Balestrate, Castellamare del Golfo, and Mazzara, and they draw their grapes and must from the districts of Marsala, Mazzara, Campobello, Castelvetrano, Castellamare del Golfo, Balestrate, and Partinico. The wines are not admitted into commerce until they have been kept many years, and the commercial dealings of the Woodhouses extend all over the world, but the greater bulk of their wines go to England, France, Germany, and Russia. Great Britain takes about two-thirds of their whole export.

John Woodhouse lived unmarried, and died on August 25, 1826, leaving as heirs to his great wealth his brothers William and Samuel Woodhouse. The representatives of the family and present proprietors of the baglio live chiefly in England, while their business is under the direction of Mr. George Rayson, who is also Vice-Consul for the United States.

The Marsala Woodhouse has obtained prizes and diplomas at all the exhibitions in which they have competed, and especially at the Italian Exhibition in London. The quality marked O.P. (old particular) is, perhaps, the best known, as it is old, soft, and dry, and is sold at 20*l.* the pipe. The L.P. (London particular) is not so old and is less dry, but is well-known, and is 2*l.* cheaper. Their mark "C." (price 17*l.*) is, perhaps, the most esteemed in Italy; it is still younger than the former, and possesses less alcohol.

The firm has wines in its cellars of the vintage of 1815 (the year of Waterloo), which are sometimes offered to visitors to taste, and suggestive of the famous *grand vins* of Bordeaux of the year of the comet, 1811; some samples of which, about 20 years ago, were sold in Paris for 100 fr. a bottle.

Benjamin Whitaker.

The baglio of Messrs. Ingham and Whitaker was founded by the late Mr. Benjamin Ingham, for it was not long before another English establishment arose at Marsala which was to rival and, perhaps, surpass that of the Woodhouses.

The success of John Woodhouse had early attracted the atten-

tion of Mr. Benjamin Ingham, a native of the county of York, and born in 1789. He came originally into Sicily at the time when the greater part of Europe was closed to English commerce by the continental blockade, and Sicily being then in the occupation of the English naturally offered itself as one of the best fields left in Europe for the diffusion of English goods and manufactures. He found the establishment of the Messieurs Woodhouse at Marsala already established on a grand scale, but saw at once that development of the commerce of Sicilian wines was possible in other directions than those already taken by the existing factory. Having, then, first established a large commercial house at Palermo, he began in 1812 to construct a new wine store at Marsala in the neighbourhood of the sea, with a house for himself and lodgings for his assistants, and gradually increased his establishment to the dimensions of the magnificent baglio as it stands at present. In 1827 he turned his attention especially towards collecting information of the manner of cultivation and fabrication of the wines in best repute in Europe, and for this purpose sent a member of his house to Spain. He had come to the conclusion that no soil or climate offered superior advantages to Sicily for the production of wine, as the island lay in about the same latitude as Madeira and those parts of Spain which produced the wines most in use in those days.

The results of his enquiries were condensed in a series of instructions drawn up in 1834, which were far in advance of the Sicilian ideas of those times, and may still be studied with profit, and evince the care and industry with which he was pursuing the object of the amelioration of the produce of Sicilian wines, and of rendering them rivals of the wines of Madeira and Xeres; but he was not only indefatigable in his efforts to improve the character of his wines, but also in extending his fields of production in Sicily, and in finding fresh markets abroad. For the first purpose he established branch factories at Balestrate, Alcamo, Castelvetrano, Campobello and Mazzara, from which the wines every year were transported to the chief factory at Marsala, there to receive their final blending and treatment. A branch establishment with distilling apparatus was also set up at Vittoria, on the other side of the island, and he sought his produce as far as Catania. With the view of increasing the reputation of Marsala wines and finding fresh markets, he set up or sent agents to all the chief cities of Europe and America, and was the first to form commercial relations between Sicily and the United States, with Brazil and the countries on the Pacific. He had a good number of sailing vessels, some sailing under the English flag, some under the American, and some under the flag of the kingdom of the two Sicilies. He even launched a large vessel, the "Sumatra," to carry on trade between Sicily and the East, at a time when, before the existence of the Suez Canal, vessels had to pass round the Cape of Good Hope; and subsequently, associated with Vincenzo Florio, started three steam vessels for the trade of Sicily, one of which, the "Palermo," being made use of by the Liberals in 1849, was confiscated

by the Government, and still forms portion of the Italian fleet under the name of the "Aquila."

Ingham and Whitaker, Marsala.

Mr. Ingham took into partnership with him a nephew on the side of his sister, Joseph Whitaker, and two nephews on the side of his brother. Mr. Ingham himself died in 1861, and his nephew, Joseph Whitaker, who alone survived among the partners, died in 1884, leaving a family of 11 children, and a property amounting to about 3,000,000*l.* or 4,000,000*l.* sterling. The reputation which Mr. Joseph Whitaker acquired in Sicily for his general philanthropy and public spirit was worthy of his great fortune, and his name is held in great honour in Sicily. Streets are called after his name, and one institution, a training school for girls, has been named after him, as to him and his wife, Sophia, was its foundation chiefly due.

The management of the Marsala wine business is now carried on by three of the grand nephews of Benjamin Ingham, who keep up the traditions of the family, live at Palermo, the baglio at Marsala having remained under the direction of the late Mr. Joseph Whitaker until his death, four years ago, when Mr. Cossins, late British Vice-Consul at Marsala, became director, in which direction he has been succeeded by Mr. Charles Forsyth Gray, who is also the present British Vice-Consul.

Vincenzo Florio and his Marsala.

Meantime a worthy rival of these two English houses grew up in the baglio of Vincenzo Florio and his son. Vincenzo Florio was a native of Bagnara, a small city of Calabria, and born in 1799, his father, Paul, emigrated to Palermo in 1805, where a brother of Paul, Ignazio, was already established in commerce. Paolo died early, and Ignazio took his nephew Vincenzo into partnership in 1818.

Vincenzo Florio was, indeed, a very remarkable man, and the story of his commercial transactions has a claim to a place in the annals of the commercial and industrial enterprises of the world. He visited Genoa and all the most important commercial cities of Italy, and betook himself also to France and to England for the purpose of establishing commercial relations with his house. On his return to Sicily he began to export largely Sicilian products, and, moreover, engaged largely in the tunny fishery, adopting improved methods, which are carried on to the present day, at various points on the Sicilan coast, and especially at the island of Javignana opposite to Marsala.

Having made acquaintance at Marsala with the two vast establishments of Messrs. Woodhouse and Messrs. Ingham and Whitaker, he determined at once to begin a rival establishment, and commenced a large baglio on the shore between the two great baglios already existing, and this he began in 1832. Such an undertaking with such competitors on either side of him seemed little less than folly in the eyes of the natives, but his rivals understood at once that they would have for the future to count with a serious competitor, and, with the superabundant energy which characterised him, he did not rest content even with this new enterprise, but, in 1841, commenced the establishment of the

Fonderia Oretea—an iron foundry—at Palermo for the fabrication of steam-engines and machines, which is one of the first in Italy, and employs at present upwards of 500 workmen.

In a report dealing with wines it would go beyond its proper limits to speak of his many other enterprises which have gained for him the name of the father of Sicilian industry. In order, however, to give an idea of the ubiquitous energy of the man, I may mention that he, to whom the Marsala Florio is due, established in 1838, and carried on for many years, a cotton manufactory at Palermo, which came to an end during the Civil War in America, through the rise in the price of cotton. He also established a manufactory of chemical products, and that finally, in 1840, he, together with Mr. Benjamin Ingham, started a company for sending forth a line of Sicilian steamboats, which after various vicissitudes has become embodied in the Florio Rubattino Company, which, under its present title of Compagnia di Navigazione Generale Italiana, sends its steamers to all parts of the world, and has made the name of Florio still more known than it is as connected with Marsala wine. His merits towards his country were considered of so eminent a character that, after receiving various orders of merit, and being named a Senator of the new kingdom of Italy, his fellow citizens at Palermo erected him a public statue in 1875, over the inauguration of which the Prince Umberto, now King of Italy, presided.

Notwithstanding the great energy and industrial genius and honesty of purpose of the founder of the factory at Marsala, the competition of two such powerful and long-established rivals as Messrs. Woodhouse, and Ingham and Whitaker, rendered for some time the success of the Marsala Florio very doubtful. The chief markets being already taken up by his competitors, Vincenzo Florio had to seek for new outlets. These he found chiefly in Italy and on the Continent, and the lines of the Florio Rubattino Company now carry the Marsala of the establishment he founded all over the world. His son, Ignazio Florio, has worthily continued the work of his father on the same lines, and is justly saluted as one of the princes of commercial and industrial enterprise in Italy.

Ignazio Florio.

The Florio wines have been successful enough in getting medals and diplomas, especially in Italy, but appear not to have been so successful as their rivals in the Italian Exhibition of enological products in London. The soundness and good quality, however, of their wines are universally admitted, although they may lack some of the qualities sought for by English experts. The Florios make also a small quantity of light red table wine, which ranks among the best produced in Sicily

The Florio baglio has from its commencement been under the direction of Englishmen. The first director was Mr. Gordon, and his son succeeded him. The establishment is on as grand a scale as that of its English rivals, and surpasses them, indeed, in the gigantic size of its vats for wine-blending, which have the altitudes of towers. There are 10 of these, and four of them are capable

The baglio Florio.

of containing the immense quantity of 640 hectolitres (or 14,080 gallons) each, and these and other utensils are painted so as to give them so far as possible an elegant appearance, while cleanliness and order are scrupulously observed throughout the whole establishment. There are 13 stores for the storing of the wine, through each of which pass long corridors. Four of these stores are upwards of 600 feet long. There are also elegant mansions for the residence of the proprietor and his friends, and for the officials; auxiliary establishments for cask making, hooping, and bottling, with stables and carriage houses. All the machines and ironwork on the establishment are the product of the Fonderia Oretea at Palermo, and the latest improvements of science are introduced without stint of cost into every department.

The total capacity of the vats on the premises is said to amount to 100,000 hectolitres, or the net quantity of 3,300,000 gallons. The number of workmen habitually employed on the establishment is about 300; at certain periods of the year they reach to 500.

General character of Marsala baglios.

These baglioni of Ingham and Whitaker, and of Florio, have been constructed much after the model of the baglio of Messrs. Woodhouse. They are all vast quadrangular structures rivalling the proportions of a naval arsenal, and all situated on the sea, with quays and wharfs in front of them. They have all gates, like the gates of a dock-yard, situated in the centre of a long, solid, high outside wall furnished with loop-holes, with towers at each corner, giving one the impression of a fortress, and were evidently constructed with a view to defence in the formerly disturbed condition of Sicily, which lasted up to quite recently; for the mass of property in the shape of magazined wine which is contained inside these baglios is very considerable, amounting in the case of Messrs. Ingham and Whitaker, one might roughly calculate, on the average to 500,000*l.* sterling, and the walls and towers which surround them are high and solid enough to resist any *coup de main* which might be attempted from the outside. The covered galleries in which the wines are stored are of immense length. From the chief entrance gate there is a walk, lined by trees, up to the house of the manager, in which also there are apartments for the proprietors; long alleys, or corridors passing through the magazines extend right and left on both sides of the house. There are separate workshops for making and preparing casks, and ingenious contrivances for cleansing them by means of rotatory iron chains inside them, as at Lo Zucco, worked, as are the machines for cooperage, by steam-engines. There are also large stables, and at the back of the premises, all surrounded by a high, strong wall, is a large space partly devoted to garden purposes, and partly to crops. These baglios are something quite unique in themselves, and hardly any description could give a clear idea of them. In that of Messrs. Ingham and Whitaker there are about 300 workmen ordinarily employed, and the number is increased on occasion. These workmen live out of the premises, have their own kitchen for preparing their food, and

a refectory in which they take their food, some of which they bring with them, and some of which they purchase at the gate just before mealtimes; and the gates present the aspect of quite a little market when the purchasing of food takes place.

In the English factories all the work of supervision is done by Englishmen, who have lodgings and board provided for them in the establishment, and have every provision made for their recreation. They have at the Whitaker's baglio, which I know the best, a lawn-tennis ground, a billiard-room, a bathing-house, and a common club-room, to which they invite their friends.

Among the other establishments for Marsala wines on the western corner of the island is a considerable one at Mazzara del Vallo, a town about 20 miles from Marsala, founded in 1810 by James Hopps, who began his career in Sicily as a master cooper of the establishment of John Woodhouse, and afterwards set up as wine maker for himself at Mazzara. The establishment of Messrs. Ali and Bordonaro at Trapani, is also of considerable importance.

It was commenced in 1869, and in the space of 20 years the proprietors have succeeded in getting their products placed on the same line as those of the colossal establishments of Ingham and Whitaker and Florio. There are also numerous minor establishments, some just commencing.

Expense of production of Marsala wine.

The length of time during which the wine is preserved before tapping, has naturally for result the locking up a large amount of capital, besides which the proprietors of the large establishments, not only advance money to the poorer farmers in order to assist in the proper cultivation of their vines, but advance money also to such as have no casks for storing their wines, getting their payment back in grapes. There is also a large supply kept on hand of "solera," or old wines used in improving the new wines, and some of this "solera" comes from vintages of 50 years ago. The farmers, too, generally, cannot afford to store their own wines, as they do in Spain, so that sufficient store-room has to be found in the establishments; and this circumstance not only renders necessary the immense size of the baglios, but increases also vastly the expense of production. In the Whitaker's establishment an immense covered gallery about 600 feet long runs through the factory parallel to the front wall, and opens only in front of the house built for habitation, from this main artery galleries run right and left at right angles and in parallel rows, and the wine is stored in pipes in butts two or three rows high. The vats of the largest dimensions contain about 120 hectolitres.

Marsala, as is well known, is a prepared wine, and not a wine which relies on its own natural strength. The wines used for producing it are mostly purchased by tasters from farmers in different parts of Sicily, and then brought to the baglioni and there treated. The treatment consists in mixing with the older wines in store, called "solera," and in adding sufficient alcohol to bring the different kinds up to the required type. In the early times of the Marsala a larger admixture of alcohol than at present was necessary in order to render the wine capable of standing the

long voyages in sailing vessels; but some wine which is called "vino naturale" is produced without admixture of spirit, and is found to bear the journey very well. The spirits added, however, are after all only distilled from the pure juice of the vine, and is made in distilleries on the establishments themselves. From 4 to 8 litres of spirit per 32 gallons of wine is the quantity allowed, and as the wine is changed in cask and racked from time to time, the quantity of spirit which has become volatilized is replaced. It is hardly necessary to say that complete order and cleanliness reign through all the establishments, and no wine is allowed to go out in the market under five years, so that the number of casks in store is very great. In the Ingham's establishment there are 20,000 pipes full of wine, besides a multitude of smaller casks. For other interesting matter relating to the making of Marsala, I refer to the report of Mr. Cossins, late British Vice-Consul at Marsala hereto appended.

In the establishment of Messrs. Ingham and Whitaker the wine is classed as follows:—"soleras" (very old), 30*l.* per pipe; qualità, "Superiore O.P." (old particular), "Naturale Vecchio," and "Extra Vergine" at 21*l.* the pipe; qualità "Italia vergine," 19*l.*; qualità "Inghilterra, L.P." (London particular), 17*l.*; "Vino delle Dame" (sweet), 16*l.* 10*s.*; qualità "Trinacria," 15*l.* A pipe measures about 400 litres or 93 imperial gallons.

A similar classification is made at the other establishments, with the exception that at Florio's there is a quality (Vecchissimo superiore) which sells at 30*l.* the pipe, and that at this establishment wine can be bought in bottles in cases of two dozen. The price includes the placing of the wine on board steamer at Marsala after which all responsibility ceased on the part of the senders. The prices of labour at Whitaker's is 2 fr. 50 cents. (2*s.*) a day for coopers, with wine and no food; blacksmiths, the same; masons, 2 fr. (1*s.* 7*d.*); racking and unskilled labour, 1 fr. 50 cents. (1*s.* 2*d.*) a day with a little wine.

The lighter wines of Sicily.

Little improvement can be made in the fabrication of the Marsala wine, which is, in fact, the only Sicilian wine which has attained an international reputation in which Sicilians feel some pride; but as no one in Italy, or generally on the Continent, looks upon Marsala as other than a liqueur wine, the production of table wines of a distinct type and fitted for export—"Vini di pasto," wines which can be drunk either mixed with water or pure at table—is regarded as the chief desideratum. Generally in southern Europe wine at table is taken mixed with water at family and ordinary meals; this is a fashion proceeding from Greek and Roman times when, according to the poets, the drinker of pure wine, "merum," was considered an advanced toper and akin to a barbarian, and the Greeks had a special name for the drinker of wine neat, *ἀκρατοπότης*. With respect to the lighter wines, besides the establishments above-mentioned engaged in this production there are various others deserving further notice, and among them is that of the Commendatore Vito Favara Verderame, President of an Agricultural Society and

British Vice-Consul at Mazzara; of the Duke of Salaparuta at Casteldaccia; of the Baron Spitaleri at Adernò; the Fattoria Moxarta at Parco; of the Brothers Cassola at Syracuse; that of Zirilli and Cumbo at Milazzo; and various factories at Messina.

The Commendatore Favara, as will be seen by his appended report ("Mazzara") takes a deep interest in wine culture. He began by taking up the matter as an amateur with a view of teaching his neighbours, by example, how the methods of vinification could be improved. Having succeeded in producing light wines of a pure quality he was urged to produce them as a matter of commerce, and has with his brothers and sons set up a large establishment at Mazzara. His wines are light Marsala and a wine of the Zucco type called "Irene," and he has succeeded in producing very fair samples of Sicilian Champagne sold at Mazzara at 3 fr., 2 fr. 50 cents., and 2 fr. a bottle.

"Corvo" di Casteldaccia.

Another very important wine factory in Sicily, and one of the earliest in date, is that of the Duke of Salaparuta already mentioned, whose property is in the neighbourhood of Misilmeri (province of Palermo), from which district some of the best ordinary wine of the Island is produced. The wine produced by the Duca di Salaparuta is called "Corvo," from the name of the chief wine-producing property on his estate.

The Corvo wine is only known commercially since 1876, and in the course of 13 years it has succeeded in becoming the most widely-known of the lighter Sicilian wines abroad and at home.

There is both white and red "Corvo;" the white is the best and is the most esteemed, and is really a good wine; it has a brilliant light and topaz colour, and keeps well; the flavour is something like a white Burgundy, though heavier in the palate than Chablis. The red Corvo is a pure wine too, something like a strong Burgundy, but so far as my experience goes does not keep very well, and this fault I have found, so far as red wines are concerned, both in Calabria and in Sicily. They can succeed in producing a palatable red wine, but after a certain time it becomes acid or acidulous both in bottle and in cask. I am assured in some quarters that this defect arises from the wine not being sufficiently fined and racked, in other quarters I learn that this defect arises from the wines having too little alcohol, and in others, strange to say, from not having enough; so that probably the lesson has yet to be learned for attaining the desired result. No doubt different climates require different treatment of wine, and so far as their red wines are concerned it is clear that the Sicilians have not yet found out a proper treatment to get them keeping qualities.

The Corvo wines have nevertheless received gold and silver medals and honourable mentions at various exhibitions. The cultivation of the vine, and the choice of the vines and of the grounds for planting, are conducted on the most approved principles, under the direction of a French gentleman, M. Lagarde. The vineyards have been selected with a view of producing the wines of as dry a quality as possible, to fit them for exportation.

The Duca di Salaparuta has adopted for the most part with his

tenants the metaria system, by which the farmer divides the profits with him, so as to interest them in following up the best systems of cultivation. The grapes when gathered, are first weighed on the vineyards, then passed on to Casteldaccia, where the central factory has been built, and there they are weighed again.

The presses at Casteldaccia are of the newest kind, and pumps are made use of to exhaust the must, cleanliness is especially observed, and the pressing goes on with such celerity that they press 416 quintals, or upwards of 7 tons, of grapes daily. The vats are of American oak, and of all sizes up to those of 200 hectolitres, in which the vinification takes place. The treatment of the wines commenced at Casteldaccia is concluded at Bagheria, in the Villa Valguarnera in which there are vast cellars with cisterns of water, which aid in preserving a fresh and uniform temperature. Alcohol, gypsum and carob juice, have been prohibited from use in the making up of the wines.

Analysis of "Corvo."

The wine thus obtained is of a lighter character than Marsala, and even Zucco; careful analysis of the Corvo wines made by Professor Macagno, made during the years 1876, 1877, and 1878, gave the following results:—

	Wine of		
	1876.	1877.	1878.
Alcohol, per cent., in volume	15·30	15·29	14·80
Total acidity, per litre grammes	6·01	6·65	7·35
Bitartrate of Potassium	0·28	0·37	0·45
Volatile acids	0·60	0·62	1·08
Glucose	5·02	6·25	9·23
Substances extracted (after deducting the glucose) per litre grammes	30·02	29·25	30·77
Calculating the glucose corresponding to the alcohol produced which should exist in the must,* we have	24·48	24·46	23·68
And adding thereto the quantity of glucose per cent found in the wine	0·50	0·62	0·92
We find that the must producing these wines contained	24·98	25·08	24·60

* It takes 1,600 grammes of glucose to have 1 litre of alcohol.

The Corvo di Casteldaccia is sold retail at Palermo at the rate of about 1*s.* a bottle.

The wholesale prices are, superior white and red wine in bottles at 1·40 lira (1*s.* 1½*d.*), and in cases of one dozen and two dozen. The white wine is sold in casks of 99 gallons, at 2*l.* 12*s.* per 22 gallons, and in casks of half and quarter that quantity. The red wine is sold in casks of the same quantities at about 5*s.* less. The Sicilian Malaga is sold in bottles at 1*s.* 2½*d.*, and in cases and casks. The latter (of 99 gallons) at 3*l.* 6*s.* the 22 gallons; the ordinary red wine, in casks of 99 gallons, at 1*l.* 12*s.*

every 22 gallons; and the ordinary white wine is about 2*s.* dearer.

"Calatubo," "Cataratto," &c.

There are other wines something like the Corvo: one of them is the Castel Calatubo, made by the Principe Valdina, in the neighbourhood of Alcamo and Balestrate, which, in my opinion, is a more delicate wine than the Corvo. There is also another fine wine, the Cataratto, of Messrs. P. and V. Lombardo, of Trapani. There are wines also of Messina, Catania, Syracuse, and Milazzo, which are in good repute: those of Syracuse are chiefly of the Moscato kind, and are of old reputation. But with respect to the wines of other districts than Palermo, I refer to the separate reports of the Vice-Consuls appended to my own, and besides the reports before referred to, especially to the report of Mr. Vice-Consul Rainford, of Messina.

Sicilian wines vary from 10 to 20 degrees alcohol.

There can be no doubt that the Sicilian wines, which range in alcoholic strength from 10 to 20 degrees, will in the future attract greater attention in the world's markets, and also that the culture of the vine and the making up of the wine will continue to improve, in consequence of the good example set by spirited proprietors. They should nevertheless pay attention to the finding of the jury on wines at the Italian Exhibition in London of 1888; in which, after giving great praise to many of the exhibits, they add:—

Finding of London jury on Sicilian wines at Exhibition.

"As regards the wines themselves, we wish to say a few words. We had barely begun to taste them when we observed that a great part were still in a state, more or less, of fermentation; we decided to place them out of competition, considering them as not of commercial value, and even in some cases so turned as to be quite unsaleable. Admitting, as we do freely, after this Exhibition, the extraordinary value of the wine-making raw material of Italy, we say that the juice of the grape, in its first condition, cannot enter the markets of this country, or of any other. Contracts are based on the assumption that the wine bought requires no further treatment in the cellars, than to be bottled and sold to consumers.

"We have neither the climate nor the stores or the technical ability, generally, to cure the wines or give them age, if they are shipped too young, not purified, and in conditions in which they can hardly avoid going bad. The wine sent off too early may possess all the elements for an excellent maturity, and yet remain imperfect and without hopes of improvement." (Page 27 of Italian version of the Report of the Jury as delivered by Mr. William Hudson.)

Marchese Curtopassi.

Since the history of Meridional Italy is so closely connected with that of Sicily, we may mention here that some of the proprietors of Calabria, whose soil and climate so much resemble that of this island, are making great efforts to improve their wines, and among them one of the most energetic is the Marchese Curtopassi of Bisceglie, whose red wine, called "Sorgente," received a diploma of the first class, and whose "Santa Barbara" received a diploma of the second class at the Italian Exhibition in London.

As France was, up to last year, the chief country for the exportation of Sicilian wines, the conclusions and statistics furnished by the Italian Consul at Bordeaux for the month of January, will prove a fitting conclusion to this report. From the Italian Consul's report it results that the wine industry of Bordeaux and its neighbourhood has suffered no sensible deterioration, in consequence of the failure of Italian importation, and that the deficiency of Sicilian wines has been made up by the importations from Spain. Report of Italian Consul at Bordeaux.

"The Italian Consul at Bordeaux reports that Spain continues to take the place of Italy in the wine trade with France.

"There is some difference in Italian and in French statistics on this head.

"The Italian statistics give the exportation to France in January, 1888, at 298,637 hectolitres, and in January, 1889, 11,273 hectolitres.

"The French statistics say that the importation from Italy was 323,857 hectolitres in January, 1888, and 17,748 in January, 1889.

"As regards the trade at Bordeaux, the Consul reports that it has not suffered from the absence of Italian exportation, since Spain and other countries have replaced Italy."

He goes on to point out the prosperous increase in the Spanish wine trade, and that the exportation from that country will probably reach 9,000,000 hectolitres, valued at 300,000,000 fr., and which has been steadily increasing for the last 10 years; while the exportation from Italy, notwithstanding the greater development of vineyards, has gone down to 100,000 hectolitres monthly.

He further calls attention to the production in Algeria, which has doubled in the years 1887–88, through the absence of Italian competition, and the same can be said of Dalmatia.

To give an idea of the state of the wine trade in France, the Consul gives a table of the importation in January, 1888, and in January, 1889:—

	1888.	1889.
	Gallons.	Gallons.
From Spain	10,640,608	15,941,354
Italy	7,113,854	390,456
Portugal	2,224,266	1,644,734
Algeria..	1,369,896	3,044,624
Levant and Dalmatia.. ..	1,240,580	2,280,014
In bottles	13,970	4,290
Liqueurs	273,174	259,204
Total..	22,876,348	23,564,676
Value in sterling .. £	1,892,320	1,507,240

The official statistics of the export of wines from Italy during the six months ending June 30, 1889, although showing a diminution on the whole, have some encouraging features, and evince that the efforts to find new "sbocchi," or fields for consumption, have not been without results. Official statistics.

The decrease on the whole wine exports are not so great as in 1888, in which year, as compared with 1887, the decrease was immense, being for wine in casks 1,780,084 hectolitres (39,161,848 gallons) in quantity, and 53,402,520 lire (2,136,100*l.*) in value; while the export of the wine in bottles increased by 598,200 bottles, of the value of 1,046,850 lire, or 41,874*l.*, owing, doubtless, to the efforts made in that year to make up for the want of demand for wines in cask by forcing the sale of wines in bottle.

Taking the statistics of the exports of wine for all Italy for the first six months of the year 1888 and 1889, we have:—

	1889.	1888.
Wine export—		
In cask, hectolitres	898,424	1,246,408
In bottles	1,358,300	1,364,000

So that in the first six months of 1889 there was a decrease in the wine export of 348,085 hectolitres of wine in cask, and 5,800 of wine in bottles.

Decrease of export to France.

The greater, and in fact, the only part of this decrease is to be attributed to France, which, during the first six months of the year 1888, imported 786,814 hectolitres of Italian wine, while in the same portion of the year 1889, it imported but 143,434 hectolitres. Apart from these figures there was an increase in exportation with all other countries, especially is to be noted an increase of 70,000 hectolitres to South America, where the Argentine Republic, so largely peopled with Italians, bids fair to offer a new market for their national wines; and in Switzerland, where, for many years, the wines of the Valtellina have become standard wines, the importation has also increased; and in Germany, also, Italian wines are beginning to be received with greater favour.

Increase of export to other parts.

In fact, if the diminution of exportation to France be left out of consideration, the wine exports to foreign countries, generally, from Italy have increased by 300,000 hectolitres (6,600,000 gallons). This may naturally be regarded as a favourable indication of the likelihood of Italian wines being able to obtain a place in the world's markets.

How much of this increase of Italian wine exports was due to Sicily we have no means of knowing, but in all probability the amount was inconsiderable, for, as I have before-mentioned, no Sicilian light wine has acquired any reputation as compared with the wines of northern Italy.

Temporary improvement in Sicilian wine trade.

Within the last few months a change for the better has taken place in the export of Sicilian wines, so that about a tenth part of the production of 1888 has been exported at remunerative prices, and this change, from the hopeless position of some time back, has induced some wine growers to indulge in exultations, but the most cautious consider this amelioration of the market to be only temporary. The last good year for the Sicilian wine grower was 1885,

when ordinary wine for exportation fetched 30 lire the hectolitre (24*s.* per 22 gallons). Since then the price of wine in Sicily has fallen so much that the Italian Government has, after great pressure, yielded to the cries of the wine growers, and offered them new facilities for the distillation of wine into spirit, but it is calculated that wine cannot be made into spirit with profit unless the price of the wine is under 10 lire (8*s.*) the hectolitre (22 gallons), and this price means destitution to the Sicilian wine grower.

The real cause of the rise in prices appear to be due to the fears of scarce production in foreign countries owing to the increase of damage caused by the "peronospora," a fresh plague which has fallen upon the wine grower, and to other causes such as tempests and hail storms which have fallen upon northern Italy; for in few cases will a wine grower allow, in reply to demands, that he has not wine of his own sufficient for the calls of the market upon him, and if he has not wine of his own he makes it up from other sources.

The present improvement of the Sicilian market may, therefore, be regarded as only a fleeting alleviation, and their most prudent councillors warn them that to attain permanent success there remains but one way open; and that is to finish their wines in such a manner that they shall be fit for the consumer without further preparation, and to prepare for their wines when finished facile channels of communication with the great markets of the world.

PRODUCTION of Wine in Sicily in 1888.

Provinces.	Average Production (1879-1883).	Production, 1888.	1888. Percentage of Average Production.	Quality.	Causes affecting the Production.
	Hectolitres.*	Hectolitres.*			
Palermo ...	1,432,700	1,037,900	70·00	Good	Frequent sirocco winds.
Messina... ...	927,300	695,500	75·00	,, ...	Excessive heat in beginning of July, and showers of small light stone.
Catania... ...	1,183,700	887,800	75·00	Very good ...	Dryness.
Syracuse ...	1,824,800	1,642,300	90·00	,, ...	,,
Caltanissetta ...	430,100	197,800	46·00	Good	Dryness in spring and summer, and destruction of phylloxera.
Girgenti ...	350,600	217,400	62·00	Middling ...	Extreme dryness and great heat in July.
Trapani... ...	1,453,000	1,031,600	71·00	Good	Dryness in winter and prolonged heat in summer.
Sicily. Total ...	7,652,200	5,710,300	74·62	44/100 very good. 52/100 good. 4/100 middling.	

* A hectolitre is equal to 22 gallons.

AVERAGE Production of Wine in the Province of Palermo in 1879-83.

Districts.	Areas Devoted to Vine Culture.	Number of Plants in each District.	Production per Acre.	Average Annual Production.
	Acres.		Gallons.	Gallons.
Cefalu	20,749	48,213,400	231·87	4,811,180
Corleone	5,980	17,113,600	287·50	1,719,234
Palermo	61,481	151,578,000	355·42	21,851,742
Termini	16,026	36,036,800	264·43	4,237,816
Total for the Provinces	104,236	252,941,800	312·94	32,619,972

IMPORTATION of Wine into Great Britain in the Years 1888 and 1887, in Quantity and Value.

	1888.		1887.	
	Quantity.	Value.	Quantity.	Value.
	Gallons.	£	Gallons.	£
Cape Colony	37,927	13,365	48,445	17,699
Australia	232,939	46,184	168,188	36,606
Germany	416,375	77,140	402,188	59,820
Holland	398,770	236,635	418,864	290,836
France—				
Red wine	3,764,445	983,715	3,895,281	1,052,678
White wine	1,870,125	1,982,344	1,774,593	1,732,018
Portugal	3,160,360	940,115	3,451,156	1,063,203
Madeira	169,468	54,417	94,054	36,106
Spain—				
Red wine	1,394,782	175,649	1,486,859	198,788
White wine	2,518,593	712,739	2,943,761	813,233
Italy	553,538	102,475	530,789	110,821
Other countries ..	217,705	61,589	164,948	56,069
Total importation	14,735,027	5,386,367	15,379,126	5,467,877
Distilled wines ..	2,647,065	1,219,155	2,830,216	1,317,976

Reports of British Vice-Consuls on Sicilian Wine Produce.

Messina. The places where wine is chiefly cultivated, are Barcelona, Sampieri, Gesso, Salice, Castanea, Quattro, Masse, Faro, Milazzo, Lipari and the adjacent islands.

The best qualities are grown at Lipari, Faro, and Milazzo.

The "Malvasia" of Lipari has long been a renowned wine; it is not grown in any great quantity.

The wine of Faro is of considerable strength, much resembling a rough Burgundy: it is grown in considerable quantity and travels well, but it is better to fortify it with about three per cent. of spirit when it is sent by sea, this necessity, I believe, is occasioned entirely through careless manufacture.

The wine of Milazzo is of great strength but rough and harsh

to the English taste, most of these, if properly manufactured, would be fine wines.

In the mountains the wines are much lighter in character, and, when well prepared, have the character of Burgundy and Claret, according to the nature of the soil and the height above the sea-level, but, as generally manufactured, are harsh and bitter.

Regarding the cultivation, the vines are propagated by cuttings in January and February. The ground is measured out in lines, holes are made with iron bars to the depth of about two feet, and at distances varying from a metre to a metre and a-half apart, in each hole a vine cutting is placed, and earth put round it until the hole is filled. It has been observed that by this method the earth which has been beaten by the iron bar in forming the hole becomes very hard, and offers great impediment to the young and tender roots when the plant commences to grow. Some planters now dig a trench and lay the vine cuttings in it throwing in soft friable earth to cover them; the plants thus treated grow better and more quickly than when done in the old way with an iron bar; when the vines begin to grow, the ground is dug over with mattocks; the established vineyard is generally dug in the autumn, and square holes made round the stem of the vine to the depth of six or eight inches, this is done with a view to collect the rain, and send the water to the roots with the idea of augmenting the quantity of grape juice. But as this is done at the time the plant is dormant, I believe it to be more injurious than otherwise; about December and January the vines are trimmed, all the branches being removed, except four to six buds, which are left upon the stems. In January and March it is usual to plough the vineyards, but this is not done after the buds have sprouted.

When the grapes have attained their full size it is customary to remove the leaves which impede the sun's rays, so that the fruit may be fully matured. A vineyard does not produce wine of good quality until it has been planted from 10 to 15 years.

The vintage commences generally about the middle of September, and in the mountains is continued until the middle of October. The grapes are trodden in receptacles called "palmenti," generally in the very roughest manner, grapes, ripe and unripe, leaves and stalks, are all trodden up together by men in rough nailed boots which are not in any way purified before entering the "palmento"; the must is then drained from the "palmento" into a receptacle called a "tina," and the crushed stalks, husks and seeds are thrown into it, and all are allowed to ferment together sometimes from 10 to 14 days. This makes the wine excessively harsh and bitter, but in consequence of the great amount of tannin which is thus dissolved in the wine, it is enabled to resist the motion of a sea voyage without becoming acid. In process of time the tannin absorbs oxygen and becomes grape sugar, which makes the wine more palatable, but, in consequence of the want of cleanliness and care in the manufacture, it can never become fine wine. It is often put into dirty casks to ferment, and the "palmento" is often filthily dirty when the

grapes are first thrown in, the dirt thus becomes dissolved in the must.

Of late years some of the proprietors have shown a greater care and cleanliness, and their wine has been of a better quality. There is a common prejudice that wine in fermenting rejects all impurity.

No large wine factory is known in the province of Messina. No grower as a rule has butts which will hold more than one year's growth, the wine is sold for home consumption, or until lately for exportation to France, where it is consumed by the lower classes.

The failure to renew the treaty of commerce between Italy and France has had most disastrous effects upon the wine trade, and prices have fallen greatly, in fact I may say to 50 per cent. nearly.

The wines produced are not of nearly so good quality as they were formerly, in my own recollection. I account for this, in some measure, to the very heavy taxes which are now paid upon land and income to meet which the proprietors have at certain places watered the land before the vintage commenced, thereby filling the grapes abundantly with a watery juice instead of one rich in grape sugar. The custom also has become prevalent of gathering the grapes before they are fully ripe, both of these acts are done with a view of producing a larger quantity of wine, but quite regardless of quality; to neutralise the excess of tartaric acid in the must which is produced by this treatment the growers put plaster of Paris in the must, which makes the wine still more harsh and unpalatable. This is now prohibited, but I am privately informed that the practice still continues.

The quality of wine depends greatly upon the nature of the soil upon which it is grown. A low-lying land of a sandy nature will never produce wine of a fine quality, neither will a sandy hill side. No land which is damp or has a damp bottom can grow good wine. The best wine is grown on a red soil (ferruginous) with silica and limestone mixed with clay, on a hill side with a southern aspect. If a vineyard is planted upon a sandy hill, the heat of the summer sun dries out the moisture so completely that the fruit does not obtain sufficient nourishment to perfect itself, and the early autumn rains so easily penetrate the light earth, that the vine roots are soon reached and the fruit becomes filled with water. There is little humidity in the air of Sicily to supply moisture to the leaves for absorption. But when there is clay in the soil on a mountain side, sufficient moisture is retained during the summer for the use of the vine, and when the autumn rains come on the earth is not readily penetrated, so that the plant is refreshed, while the quantity of the fruit is not deteriorated.

There is no export duty upon wine.

The expense of shipment from the magazine to the ship's hold, by means of lighters, is 1·85 lira per cask of about 600 litres (1*s.* 6*d.* per 132 gallons), from the railway to the ship's hold 2·10 lira (1*s.* 8*d.*), from the quay to the ship's hold ·85 lira (8*d.*). The freight from Messina to London for casks of the above

capacity is 20*s.* to 25*s.*; to Rouen, 30*s.* to 35*s.*; to Cette, 35*s.* to 37*s.* The reason of the high charges to Cette is that there is no competition. The only regular line of steamers from Messina to Cette being the Italian line of Florio and Rubattino.

It is impossible to ascertain the quantity of wine grown in this Vice-Consular district, there being no record.

The quantity shipped from this port, in 1887, was 5,057,400 gallons, but this amount was drawn from various parts of the Island.

The present condition of the wine trade in Messina is very depressed indeed. In consequence of the cessation of the Treaty of Commerce with France, there has been almost no exportation of wine this year, nearly the whole production having been retained for home consumption. A considerable quantity has been sent to upper Italy, and some small parcels have been sent to Buenos Ayres, where it arrives in excellent condition, the sea voyage improving it greatly.

Of the future prospects of the wine trade of Sicily I do not take a very hopeful view, for I am informed that wine growing to a considerable extent has been commenced along the whole of North Africa, and the cultivation of wine has been much augmented in Austro-Hungary, and with this competition, the careless mode of treatment combined with the heavy taxation of Italy, the future is not a very brilliant prospect. I believe the careful culture of the lighter mountain wines would prove profitable, because when properly treated they have a great deal of the character of good French wines, and when pure are much more palatable and wholesome than the common manufactured liquids sold in England, at a cheap rate, as French wine. They have but to be well made and known to be fully appreciated. The richer soils can produce wines which can hold their own with Port, Sherry, and Madeira, but a very different system of vinification must be used to produce wines of this class.

A decree was issued in the summer of 1888, augmenting the duty on spirit. All wines in stock containing more spirit than 15° of anhydrous alcohol, which corresponds to about 28° of proof spirit, had to pay a duty of ·60 lira per hectolitre (6*d.* for 22 gallons) for every degree above that amount. For a time this perfectly paralysed the wine trade. There were also restrictions of the most impedimentary character; so great was the consternation of wineholders and merchants, that many abandoned altogether this commerce.

The Government has since relaxed some of the most stringent measures, but the injury done to the wine growing interest has been very serious indeed. It would recover to a certain extent, were the treaty between Italy and France renewed, but when commerce finds new channels it rarely returns entirely to its original source.

P. E. RAINFORD,
Vice-Consul.

Catania.

The production of wine in this district has increased by one-third of the quantity that used to be produced some five years ago, and as the quantity to be yielded from recent plantations has not as yet reached its full development, it is to be expected that the output will still more increase. The wine so produced is partly consumed in the home markets, whilst the greatest part has hitherto served for exportation abroad and to Continental Italy.

The preparation of these wines, however, is not such as to suit the palate of all consumers; its taste in many cases is too bitter or too sharp, due to the primitive and irrational methods adopted in preparing and finishing the liquid, which is found to contain an exorbitant alcoholic power. The increase of production, and the recent cessation of commercial intercourse between this country and France, have concurred to cause the over-abundant production to remain idle in the market, and prices have fallen down during the last year from 30 to 40 per cent. Nor is there any probability that prices may rise up to remunerative rates, because the ever-increasing production in this district and in the rest of the island will tend to keep prices low. It is believed that the extent of land adopted for the cultivation of vines in this district may be calculated at 30,000 hectares (or 74,100 acres), yielding a production of about 1,000,000 hectolitres, equal to 22,000,000 gallons, and it is expected that the production may be augmented by one-third or even one-half in the course of three years.

The wines better adapted for exportation are those obtained from the vines cultivated in the Bosco district, or slopes of Etna, which are not used for home consumption, but are those generally exported for mixture with weaker and less coloured wines for foreign production, and are called "Vini da Taglio," or blending wines. The various alcoholic grades of wines produced in this district range as follows:—

	Centigrade.
Catania (Terreforti)	15·77
Catania (Piana)	12·02
Giarre (Piana)	13·08
Giarre (Etna)	11·06
Acireale (Bosco)	14·02
Mascalucia (Bosco)	13·95
Motta (Bosco)	15·19
Misterbianco (Bosco)	14·65
Via Grande (Bosco)	13·15
Aci St. Antonio (Bosco)	12·37

These are divided into two distinct types, called Vino del Bosco and Vino delle Terreforti. The first, as already stated, is a wine of a fine reddish colour, rather sharp to the palate, containing between 11 and 15 centigrades of strength, and, as previously stated, is generally exported for mixing with and finishing other wines of less power. It comes from the slopes of Mount Etna. The second, namely, Terreforti wine, comes from the lowlands of the Piano di Catania, where the soil is of a calcareous and argillaceous nature, and its strength reaches, in some places, as far as 16 centigrades.

These wines are of a lighter colour than the first-named, and are chiefly used for home consumption, with the exception of a small quantity called Vini bianchi Terreforti, which are exported to the north of Europe.

A vini-cultural school, under the title of Scuola Enologica, has been established here for the last two years for training young men, especially of the agricultural class, in the art of cultivating the vine and of manufacturing wines. It has so far given very little result, but the gentleman who is now directing this school is very sanguine that it will, in due time, prove efficient in preparing young people for the wine industry in a scientific form, in accordance with the system employed in France for preparing all those brands of wines that have met the favour of high-class consumers. The aforesaid school is kept up at the expense of both local and Government contribution.

The most important wine establishment, or 'Stabilimento Enologico, in this district, and even in the whole of Sicily, is that of Baron Antonino Spitaleri, situated at the foot of Etna, 830 metres above the level of the sea. It is well supplied and furnished with most of the implements for the making of wine, possessing 150 hectares of vineyards, the greatest part of which are of French origin. It produces the so-called Etna Rosso, which has now been exported as far as America and India. Baron Spitaleri has also produced the Extra Dry and Etna Champagne wine, besides several brands of Cognac, which he says have met well both in Italy and abroad, and that the demand for his make is yearly increasing, so much so that in 1888 he exported 7,000 packages of his wines in casks and in cases. His products were awarded prizes in the last Italian Exhibition held in London.

The territory in this district yielding the greatest quantity of wine is that of Giarre and of Riposto, two very picturesque towns of the province of Catania, situated at a distance of 30 kiloms. to the N.E. of Catania itself. The two towns are only separated by a carriage road of less than a mile distance. Giarre, with a population of 20,781 inhabitants, is a centre of much agricultural activity, chiefly vineyards, whilst Riposto, with about 10,000 inhabitants, is the shipping place where the greatest portion of the products of the two communes are conveyed for embarkation in an open roadstead. From Riposto, in recent years, a very important wine trade with France was carried on until the year 1887, when the traffic came to a standstill in consequence of the breaking up of the commercial treaty between Italy and France. The termination of this treaty has proved disastrous to the wine-producing communities of the towns of Giarre and Riposto, which have since sought a new opening for their wines, some of which have been sent to London and to America as a trial; the final results of these shipments, however, does not appear to be encouraging to the exporters, for the demand from the receiving parts keeps very quiet. Thus it is to be concluded that the Sicilian wines, as they stand, are not fit for the taste of foreign markets, where light palatable wines of at least two winters of

age, 11° of strength (Syke), are required, perfectly fermented in oak casks. Green wines, as are shipped in Sicily in badly coopered casks of chestnut, do not sell abroad.

Prices in Sicily are no doubt cheap enough, but the drawback stands in the condition or finish of the wine, which are not in harmony with foreign taste. The following table will show the quantities exported from Riposto during the last six years:—

Year.	To Italy.	To other Countries.	Total.	Value.
	Gallons.	Gallons.	Gallons.	£
1883	2,566,938	6,996,088	9,563,026	573,770
1884	5,994,472	8,430,818	14,425,290	820,800
1885	6,327,376	5,655,122	11,982,498	827,881
1886	2,400,882	7,554,624	9,955,506	760,238
1887	..	10,926,586	10,926,586	695,328
1888	..	2,438,436	2,438,436	133,006
Total ..	17,289,668	42,001,674	59,291,342	3,811,023

Prices during these six years ruled from 38 lira, 42 lira, 35 lira, down to 30 lira per hectolitre free on board at Riposto, and now they are as low as 13 lira to 17 lira per hectolitre.

There is no export duty on wine, and the Italian Government, to encourage the exporters, has contemplated the grant of a premium of 1·80 lira (1*s.* 5*d.*) for each grade above 11° strength (Salleron) on any such wines sent abroad.

The vine disease, or phylloxera, continues to exist in this district, and it is reported that more than 2,000 hectares of ground of vineyards are invaded by it.

The preparation of spirit of wine, or alcohols, has had an important development within late years. It is extracted from vine dregs, or from the inferior quality of wine, but this industry is so heavily taxed by Government that the most enterprising speculators find difficulty in sustaining it.

Both the cultivation of the vine and the making of wine are still carried on in the old-fashioned style. The grapes, as gathered, are brought into what is called a "palmento," a sort of mill where the fruit is trod upon by the countrymen, either bare-footed or generally in coarse shoes, not particularly clean, until the juice of the grapes is squashed out into a sort of stone tub, or vat, which stands below the level of the mill, or treading barn, whence the juice is transferred into casks to ripen into wine. During its fermentation, in most cases, gypsum is used as a clarifying and colouring substance, and, other instances, bullocks' blood and the white of eggs is used to obtain a transparent and finely coloured liquid.

How much such heterogeneous substances can concur in improving the wine is problematical, but the use of gypsum has certainly been condemned as most obnoxious to the health of those who indulge in the use of coloured drinks, when plenty of

pure and clear water can be had to satisfy one's thirst, in accordance with nature's gifts. Finally, it is to be remarked that Sicilian wines, which hitherto were sent in large proportions to France, chiefly from Riposto, were shipped in a sort of semi-primitive state, and that these wines, before going through foreign markets, were subjected to modification by blending and finish to render them fit for foreign taste. Such being the case, it cannot be expected that these wines should find a new opening for exportation as prepared in Sicily, but could only continue to be exported for ultimate and final finish abroad, as previously practised in France. Unless such an opening is found to substitute French industry, it is to be feared that the wines in question will not easily sell.

R. O. FRANCK, Vice-Consul.

Syracuse.

From statistics published by the Chamber of Commerce, and from private information, it appears that the quantity of soil planted with vines in the districts of Syracuse, Modica, and Vittoria is close upon 111,967 acres of land, and containing 244,787,400 vines, or at the rate of 2,186 vines per acre.

The land so cultivated is distributed between the three above-mentioned districts as follows:—

Syracuse, including Augusta, with 15,353 acres of land, and 33,566,400 vines.

Noto, including Pachino, 23,477 acres, and 51,327,000 vines.

Modica, including Vittoria, 73,136 acres, and 159,894,000 vines.

The production of wine in 1886 was 39,596,590 gallons, or 3,148,640 gallons from the district of Syracuse, 8,716,950 gallons from that of Noto, and 27,731,000 gallons from Modica. In 1887, the production from the three districts amounted to about 36,200,000 gallons; and in 1888 to nearly 44,000,000 gallons.

Of the three districts above-mentioned, the most productive is that of Vittoria, next comes Noto, and last, Syracuse. The wine produced in Vittoria and Noto is generally of a light quality, and requires to be fortified with spirits; it is generally raised to $15\frac{1}{2}^{\circ}$ of alcoholic strength, whereas the Syracuse wine contains from 16° to 21° of natural alcoholic strength.

The wine produced in Vittoria is generally all shipped to French markets; from Pachino and Syracuse for the Italian markets.

Freights for wine shipped from Syracuse to the Italian Continent vary from 1*s.* 3*d.* to 1*s.* 7*d.* per hectolitre of 22 gallons, and the same rate could be quoted from Pachino.

N. BISANI, Vice-Consul.

Terranova.

In consequence of the high prices which Sicilian wine fetched about six years ago, and excited by the great profits which wine growers in the neighbouring district of Vittoria were reaping, the agriculturists in the district of Terranova began planting vines over large spaces, and were beginning to profit well by their labour

and enterprise when all of a sudden prices fell, and moreover the phylloxera appeared and committed great ravages, so that the cultivators were seized with great discouragement and the planting of vines came to an end, and it may be said that for the district of Terranova the wine industry was almost throttled in its birth.

Against the phylloxera, however, the proprietors hope to be able to struggle. The phylloxera was especially destructive in the districts of Mazzarino, Riesi, and Butera.

The exportation from these districts was carried on on a very considerable scale to Cette and Marseilles, but the rupture of the Treaty with France has put a stop to this. The price of wine is at present from 14 lira to 16 lira the hectolitre, 11*s.* to 12*s.* 6*d.* per 22 gallons, put on board at Terranova; and freights are, for Italy, about 4 fr. to 5 fr. (3*s.* 2*d.* to 4*s.*) the hectolitre, and 6 fr. (4*s.* 9*d.*) for France.

Could markets be found, the wine industry would revive to the great benefit of the population, who are in a state of much suffering.

G. BRESMES, Vice-Consul.

Scoglitti. The culture of the vine is the chief industry of this district. The Vice-Consul considers that it will stand a favourable comparison with that of any part of the Island, or even of upper Italy. However, the wines hitherto produced are strongly alcoholic, chiefly fitted for being used as "Vini da Taglio," or blending wines. Lighter wines are, however, produced, especially white wines, and a muscatel wine, equal to that of Syracuse. The produce of this district is reckoned at 600,000 hectolitres (13,200,000 gallons) of which about 100,000 hectolitres, or 2,200,000 gallons, only are exported.

Formerly, during the existence of the Treaty with France, the wine merchants and producers of Nice, Marseilles, Cette, Paris, and even Bordeaux, used to take 100,000 hectolitres (2,200,000 gallons) of these wines, but they do so no longer, although the exportation to North Italy still continues. The best qualities of wine have fallen from 25 lira or 30 lira the hectolitre to 15 fr. (20*s.* or 25*s.* to 12*s.* 6*d.*). This is the price of the wine when put on board ship. The price of the wine in cellars is about 12·80 lira, say 10*s.*, and 3 fr. (2*s.* 6*d.*) must be allowed for expenses of transport from the interior to final consignment on board.

CESARE PORCELLI, Vice-Consul.

Girgenti. This is not a wine producing district, and no exportations are made from Porto Empedoch.

To within quite recently Girgenti relied on importations from Marsala, Mazzara, Scoglitti, and Vittoria. These, however, have been somewhat reduced, as three places in the Province of Girgenti, namely, Siculiana, Ribera, and Castelvetrano, have begun to produce wine, and forward it to other parts of the Province.

E. A. OATES, Vice-Consul.

The culture of the vine is very extensive along the sea coast, whereas on the mountains it is not enough to meet local demand. Of late years, the culture of vines has been greatly developed, because the wines were easily disposed of, and fetched such good prices that ground hitherto given up to wheat, sumach, &c., were planted with vines, and in some places even olive trees were uprooted to make room for them. The vineyards which occupy a third of the area of the district have not all yielded yet, but when they do so, within the next two or three years, the produce will be immense. Till then, and until the crop is examined, the question naturally remains open as to whether the quality will be good or otherwise, and if it can be utilised to give the type of wine universally known as "Marsala." Mazzara.

If the quality produced is capable of giving a good Marsala, it cannot give a Claret. If, on the other hand, it is not capable of giving Marsala, the defect is not to be found in the quality of the grape, for if Mazzara wine were properly kept and prepared it would make a name for itself and find ready purchasers, its cheap price being also in its favour.

Unfortunately, however, no serious enterprise has taken place, nor can any be foreseen. The total absence of industrial aptitude and the want of capital are the great obstacles. The want of capital has been due to the loans raised by proprietors in order to plant fresh vineyards. If foreign capital were invested in this district, the Vice-Consul has no hesitation in saying that it would meet with the same success that crowned the efforts of the English merchants who established themselves a century ago at Marsala, and, therefore, he calls the attention of English capitalists to the abundant and good raw material remaining inoperative at Mazzara.

The exportation in 1888 was 33,000 hectolitres (726,000 gallons); this would increase greatly if the wine industry were properly worked. Most of the wine, however, finds its way to Marsala, and is shipped thence in its natural state, and also prepared. More than half of the quantity exported went to Malta, and was consumed by the inhabitants of that island; it went chiefly in small Maltese sailing-vessels. The freights are 3 fr., or 2*s*. 6*d*. the hectolitre, and for Italy and French ports in the Mediterranean 2*s*. 6*d*. to 4*s*. Before the rupture of the Treaty with France, there was a large exportation to that country. The freight by Italian steamers is about 3*s*. 2*d*., and the cost of shipment is about 5*d*. Purchasers of wine in the country add another franc, or 9*d*., for transport, thus bringing the price up to 12*s*. 6*d*., or delivered, say at Genoa, to 15*s*. 9*d*.

The exporters now enjoy a drawback on the alcohol on wines exceeding 11° of alcoholic strength, viz., of 1*s*. per degree per hectolitre, and, as the alcoholic strength of Mazzara wine is about 16° the drawback amounts to 5*s*. per hectolitre (22 gallons) which is of great assistance to those who are sending their wines to fresh markets.

V. FAVARA VERDERAME, Vice-Consul.

Marsala.

The cultivation of the vine is the one thing, and therefore the main stay of the inhabitants in this district.

The vines are pruned low and very close; they are hoed three times during the year, the grapes are vintaged in the months of September and October, and the average annual production may be estimated from 300,000 to 320,000 hectolitres (6,600,000 to 7,040,000 gallons); 1,000 vines in marshy, low, and sandy soils, are supposed to produce from 16 hectolitres to 28 hectolitres (352 gallons to 616 gallons) of wine, whilst the same quantity of vines in drier, heavier, and higher lands give only about 6 hectolitres (132 gallons), and sometimes less; the quality, however, of the latter wine is very far superior to the larger production.

The proprietors of the large wine establishments advance money to many of the poorer farmers, in order to assist in the proper cultivation of their vines, and have consequently the preference of their production. They also advance money to those who have no casks in which to store wine, and at the time of the vintage get their grapes in repayment of same, the price of the must produced from these grapes, in accordance with long custom, is fixed by the different establishments immediately the vintage is finished, basing the same on the result of the general average of the production.

A few days previous to the local feast of San Martino, November 11, by which time the wine is supposed to have finished its fermentation and become clear, the wine brokers visit some of the principal stores of the district to taste and report on the quality of the wine; this done, a consultation takes place in one of the establishments, and the price to be fixed for the wine on the above-named day is then decided on. This having been the custom from the time the establishments were first opened, and the price is willingly accepted by the proprietors.

The superior quality wines are chosen by the factories for exportation in due time to England and other foreign countries, the second qualities are destined for shipment to Malta and the Italian Continent for common consumption, whilst the very inferior wines are used for distillation into spirit.

During several years previous to 1888 there was a considerable trade done in wine with France, which demand caused prices to advance so much that it induced land proprietors to plant with vines every piece of ground adapted for, and available for, this purpose, the consequence being an immense increase in the quantity of wine produced. The non-continuation of the Italo-French Treaty since May 1, 1888, has, however, brought about a very serious change in the wine trade here, the demand for that country having entirely ceased; holders find little demand for their wines; prices have declined, and a large quantity remains in their stores unsold. There has lately been an increase in the demand for wine which has caused the prices to rise considerably, and in consequence of which there is now very little wine remaining in the proprietors' stores.

The production of wine in 1888 has been calculated at about

three-fourths of an average vintage, the quality of the wine being excellent.

The total shipments of wine from Marsala during the year 1888 amounted to 230,027 hectolitres, against 244,764 hectolitres shipped in 1887 (equal respectively to 5,060,594 gallons, and 5,384,808 gallons).

The duty on the importation of spirit, of which a large quantity is consumed in reinforcing wines for exportation, is very heavy, say a fixed duty of 14 lira; a "sopra tassa" of 180 lira, and a "tassa di vendita" of 60 lira, equal 254 lira, or 10*l.* per hectolitre (22 gallons) of pure alcohol. The "tassa di fabbricazione" on spirit produced in the kingdom is calculated on the two latter figures, but there are certain small privileges accorded by Government for the encouragement of commercial wine industry. The Government also allow drawback of duty paid on the alcohol mixed with wine that is exported, but not on that put in the wines that are consumed in the kingdom.

R. B. COSSINS, late Vice-Consul.

Trapani.

In this district, as in other places in Italy, the wine trade has suffered a great decline, owing to the export trade having been greatly reduced for want of foreign buyers, and that principally on account of the rupture of the Commercial Treaty between Italy and France.

In consequence, the producers have accumulated in their stores great quantities of wines, and they cannot realise their capital, and, notwithstanding the very low prices to which they offer the common qualities, many of them have been obliged to make disastrous liquidations.

In the immediate district of Trapani, the consequences have been much attenuated by the existence of many wine factories, which buy up common wines of all qualities, and then mix them together, and out of them prepare that type of wine which is called Marsala, the export of which is increasing yearly, owing to its quality being well known all over the world.

In the year 1887 the quantity of wine exported from Trapani to foreign ports was about 474,000 gallons.

Freights are reckoned according to distance, destination, and the rates ruling at the time. Before the shipment is accomplished, the custom house tests the wine, in order to ascertain the quantity of alcohol contained therein, and if the wine is red and contains more than 11° the Government returns back to the exporter 2·40 lire for every degree in every 25 gallons for tax and over tax for sale; but if the wine is white, the allowance is made over and above the fourteenth degree.

The Vice-Consul thinks the outlook for the future is not so bad, owing to the efforts of the Government to open up new markets; and private houses are directing their energies to that end, and have already attained some success in Germany and elsewhere. He maintains that the deleterious fashion of using lime for

correcting the acidity of wines is only used by inferior growers, who mix sound and rotten grapes together.

It is difficult to ascertain the quantity of wine produced in each part of the district, as there are no trustworthy statistics. But, as an average, it may be stated that in all the Province of Trapani the mean production may reach 120,000 tons.

The wine establishments of some consideration in the district of Trapani are Messrs. Anguliaro, Lamio and Co.; D'Ali and Bordonaro; Fratelli Platamone; Fratelli Lombardo; Vincenzo and Pietro Lombardo; Giuseppe Volpitelli.

Money, however, in this part of Italy is actually very scarce, and the existence of an agricultural bank would form here a source of undoubted general increase of wealth.

G. MARINO, Vice-Consul.

Milazzo.

The average production of wine in this district is about 6,000 tons a year, and this quantity was reached this season.

The vine has, in the past, been the best-paying production of the place, but since the rupture of the Commercial Treaty between Italy and France prices have fallen by 50 per cent. nearly.

Milazzo wine is very much appreciated for its tannic qualities. The vineyards are in first-class condition, being entirely free from phylloxera or any other disease. There is no duty on the exportation of wine, except 1 fr. a ton to the province. Owing to the good disposition of the harbour, and to the existence of commodious quays, the cost of shipment is very low.

The wine is nearly all exported to France, viâ Cette and Rouen, and also Bordeaux. Lately there have been some shipments to Germany, viâ Rotterdam, and Genoa, viâ the St. Gothard.

The freights have been 24*s.* to 28*s.* per ton for Rouen and Bordeaux; 15*s.* to 20*s.* for Cette and Genoa.

The present price of the wine is 16*s.* per hectolitre of 22 gallons.

S. TRIFILETTI, Vice-Consul.

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1890.

MISCELLANEOUS SERIES.

No. 152.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

ITALY.

NOTES BY

H.M. CONSUL-GENERAL AT FLORENCE ON A CONSULAR TOUR IN NORTH ITALY.

Issued during the Recess and Presented to both Houses of Parliament by Command of Her Majesty.

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1890.

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A report on the industries of the province of Turin has recently been issued by the Ministry of Agriculture, Industry, and Commerce in Rome, of which I trust, in due course, to send home a summary.

While, however, manufacturers rejoice in the impulse given to local industries by increased protection and the tariff war with France, merchants and importers take a different and more unfavourable view of the present commercial policy of Italy, and desire a return to greater freedom of trade. With regard to the silk trade, the restriction of stocks and the increased foreign and home demand have, at present, placed it on a good footing.

The opening out of the central crowded parts of Turin is being continued with energy. Although the style of the modern buildings is criticised, the health of the population will doubtless benefit by the freer admission of air and light into the old quarters of the city.

Agriculture. This year's crops in Piedmont, with the exception of hay, which was excellent, are reported as generally below the average. The yield of silk was much inferior to that of last year, and the vintage has been unsatisfactory. The condition of agriculture generally is stated to leave much to be desired. In the province of Cuneo especially, farms which, some years since, brought in a good income, are now said to be worked at little, if any, profit to the proprietor. Wages have risen on account of emigration, notwithstanding which there appears, in some districts at all events, to be a large increase in the number of idlers, who prefer to live on charity rather than by hard work.

Milan. At Milan I found the same material progress as at Turin. The narrow and crowded parts of the city are giving place to broad streets, which are intended to extend, in time, over the large Piazza del Castello. The new street architecture is also criticised at Milan, and, if one may judge from the fall of a large house under construction while I was in Milan, a stricter surveillance of the builders might not always be amiss.

Milan Chamber of Commerce. In the early part of this year a radical change took place in the composition of the Milan Chamber of Commerce, and the able, though protectionist, President, Signor de Angelis, with other councillors, was overthrown. The change, however, was not due to any reaction in favour of free trade, but was entirely, I hear, of a party and personal nature. Industrial Milan, at least, is still thoroughly protectionist. It is stated that the cotton and woollen industries, the manufacture of machinery, &c., are in a very prosperous condition; the porcelain manufacture less so. It is, however, admitted that the system of tariff reprisals with France has been a mistake from its hampering commerce, and that the Italian wine trade is in a very unsatisfactory condition. The silk trade, however, is reviving, as also the trade in cattle, this last owing to a strong demand from Germany.

Agriculture. With regard to agriculture, the crops in Lombardy, except as regards hay, which was abundant and of good quality, appear to have been more or less below the average. The general conditions

of agriculture cannot indeed be considered as satisfactory, though they differ in the various Lombard provinces. I found some difference of opinion with reference to the justification put forward for the agricultural strikes in the district of Gallarate in the spring of this year, some affirming that the owners of the land, and not the metayers, are the sufferers. There is a general agreement, however, that the strike, if not promoted, was certainly encouraged by agents of the most advanced parties from Milan, and it is not certain that further difficulties may not, under certain circumstances, arise.

Metayage. It appears that emigration has increased among the metayers, and that a certain number of farms in the district of Gallarate are out of cultivation. The metayers emigrate chiefly to South America, generally returning after an absence of some years to invest their savings in a plot of land, building themselves a small house, and thus becoming small landed proprietors.

Venice. Mr. Vice-Consul de Zuccato's annual reports relieve me from the necessity of entering into details with regard to the trade of Venice. I am informed that the city generally is improving, steadily if slowly, in proof of which the increase in the octroi duties is quoted, enabling the expiring Municipal Administration to leave the budget in a good state. The industries in the Venetian provinces are considered, on the whole, to be progressing every year. There is, undoubtedly, dissatisfaction among the commercial class on account of the tariff war with France, but the effects of the present state of affairs are stated to be felt in Venice only indirectly.

Shipping. With reference to British shipping, the total tonnage entering this port has somewhat decreased, owing to the fact that the Peninsular and Oriental Company under their new Convention with the Italian Government, which came into force on February 1 last, have reduced their monthly departures to two; otherwise there is no change. I am happy to be able to state that in the spring of this year a Sailor's Institute was established at Venice. Sailor's institute. It is supported by voluntary subscriptions, is under the superintendence of a small committee, and is managed by Mr. J. Whitehead, of the Seamen's Mission. I visited the premises, which are in the neighbourhood of the docks, and was much pleased with their cleanliness and suitability. They consist of a large hall with a small writing room. The Institute is provided with some papers, magazines, and books, and a few games, to be increased, it is hoped, by further donations. The sailors, not being great readers, are fond of light and illustrated literature. It is proposed, when funds admit, to open a bowling alley in the garden annexed to the building. Mr. Whitehead informed me that from May to the latter part of September, when I was in Venice, the attendances had been about 800.

The sailors who are chiefly able to avail themselves of the Institute and of Mr. Whitehead's Mission, which is, however, entirely unconnected with it, belong to steam colliers hailing from Newcastle, Cardiff, Sunderland, and Methil, and vessels laden with

scrap, pig-iron, and machinery from other English ports. The regular lines of steamers come from London, Liverpool, and Glasgow.

English church.

It has also been possible, through the exertions of some of the principal English residents and others, to purchase a large and well-lighted hall for an English church, situate in a central position in the immediate neighbourhood of the Grand Canal. The church is now open for public worship, but funds are still required to complete the decorations of the interior.

Agriculture.

The conditions of agriculture generally in the Venetian provinces are not more flourishing than in other parts of Northern Italy. With regard to this year's crops, grain and hay are reported as having been abundant; silk scanty in some of the Venetian provinces, and moderate in others; the vintage very poor. The demand for cattle for Germany has, however, given an impulse to the breeding of stock, and prices have, in consequence, risen of late.

Ancona.

The aspect of this city has improved considerably within the last fourteen years. It has been well supplied with excellent drinking water, the streets are regularly washed down, new thoroughfares have arisen, the port has been deepened, and further improvements are being carried on, while the place generally shows signs of satisfactory commercial activity. Ancona is strongly fortified with modern works. From a commercial point of view it is a port of transit. There are few exports, in consequence the trade has only suffered indirectly from the want of a commercial treaty with France. As Mr. Vice-Consul Tomassini's annual reports show the amount of British tonnage frequenting the port is on the increase. After the Italian, the British flag holds the first place as regards the number of entries, while it exceeds it in point of tonnage.

Shipping Ancona.

With the exception of a few schooners, with imports of dried fish from Newfoundland, the British trade is carried on in steamers. The regular lines to the Mediterranean and the Adriatic hail from Liverpool, London, and Glasgow. The Peninsular and Oriental Company's vessels also touch at the port on their fortnightly voyage from Venice to Alexandria. The imports consist of manufactured goods, nail rods, bar iron, nails of all sorts, general goods, Yarmouth bloaters in the season, etc. The casual steamers import chiefly coal, coke, and pig-iron for the iron works of Terni. They hail from Cardiff, Swansea, Newport, Newcastle, and Shields. The exports from Ancona being limited, these vessels go to load up at Fiume, Trieste, the Black Sea, Sicily, and Patras, for fruit, according to the season. Occasionally cargoes of sugar are imported in British vessels from Java, Odessa, and Egypt. The import of rails from Middlesborough has almost entirely ceased.

Sugar refinery.

The principal industries established in Ancona are:—a large sugar refinery, giving employment to 300 or 400 hands, and producing 1,000 quintals of refined sugar per diem — new machinery is now being erected to increase the output to

2,000 quintals; the "Società Metallurgica," where vessels can can be thoroughly overhauled, and boilers replaced if required, with 200 hands; and a factory of patent fuel which supplies the lines of the Adriatic Railway Company. Owing to the operations of the Sugar Company, I am informed that there will be a consierable increase in the customs receipts at this port for the present year.

Agriculture. The crops in this district generally are stated to have given 90 per cent. of an average yield. The vintage was about 75 per cent. of the average. The yield of silk was excellent in five localities, good in thirty-four, middling in four, and bad in one.

Bologna. This city, I am informed, is steadily, if slowly, progressing. The population shows a regular rate of increase; and the municipal finances, notwithstanding the debt incurred for the Exhibition of 1887, are in a fair condition.

Since my visit to Bologna a discovery has taken place that some among the largest manufacturers of Bologna sausages (mortadelle) have been in the habit of using horseflesh, not of the first quality, mixed with inferior pork in the manufacture of sausages. This fact has caused considerable excitement among the population, and cannot but do harm to an important article of consumption and export. I wrote at once to the Chambers of Commerce of Bologna and of Modena, in which latter province a similar discovery was reported to have been made. From Modena I am informed that only two seizures of diseased meat had been made, while the important firm of G. Bellantani and Co. had promoted the articles in the new Sanitary Code which refer to the adulteration of sausages. From Bologna the reply stated that the matter has come under the notice of the judicial authorities, and that, as soon as judgment is given, I shall be supplied with full particulars.

Italian railways. It will be some time before the Italian railways are placed in a thoroughly satisfactory condition. Some improvements have, however, been made. The initiation of express trains between Northern and Central Italy is of considerable advantage to travellers, and the service is well performed. The Adriatic Railway Company have placed on their lines carriages of a new type fitted with sanitary arrangements, which show a decided advance over the old ones. Still, much remains to be done, and there are often strong complaints in the newspapers of the want of waggons and trucks for goods, by which trade is greatly hampered.

Thefts. The necessity, I hope, is beginning to be seriously felt of putting down an organised system of robbery which is but too prevalent on the lines and at the stations, and which has been too long neglected. The discovery at the central station of Florence of a band of dishonest employés, who had become so used to pilfer with impunity that they appear to have considered their peculations in the goods department almost in the light of perquisites, has forced the matter upon public attention, at all events in this city.

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ITALY.

PALERMO.

Consul Stigand to the Marquis of Salisbury.

My Lord, *Palermo, Dec.* 14, 1889.

I HAVE the honour to forward herewith a Report on the Sicilian Vintage of 1889.

I have, &c.

(Signed) WILLIAM STIGAND.

Report on the Sicilian Vintage of 1889.

General wine produce in 1889. Sicilian vintage of 1889.

The new wine was running in full streams out of the horn of plenty this autumn throughout the length and breadth of the island, and the vintage has, with the exception of one or two districts, such as Vittoria and Terranova, where the *Phylloxera* is raging and where the scirocco was unusually destructive, been abundant—so abundant that, on the first reports of the harvest in September, when it was commencing, prices fell rapidly. The official returns, however, from Northern Italy, which gave the results of the wine harvest there as being, owing to storms and bad weather, 43 per cent. below the average, sent prices up again, and at present they are fairly good, prices having been further raised by an increase of export from Riposto.

It was feared during the summer that owing to the spring sciroccos, which scorched the young buds, and the long summer drought the yield would not be so great, so that many proprietors were taken by surprise with its abundance, and in some districts, such as Alcamo, the proprietors had to buy up or order casks at a moment's notice: it was a good time for the coopers, who were working hard throughout the island day and night to get casks ready for the new juice.

Sicily, on account of its equable summer climate, and the absence of such thunderstorms as ravage even the Neapolitan districts from time to time, can generally rely on a long spell of fine weather for its vintage operations, the chief enemy both in spring and summer being the withering scirocco; and those who

did not rely on Silician sunshine this year had generally cause for regret. In some districts the proprietors, fearful of rain after the long rainless summer, began their vintage too soon, and paid dearly for their mistrust in loss of juice, while those who did not were rewarded by overflowing vats and casks. The equability of the climate, indeed, added to the natural fertility of the soil, gives Sicily especial advantages in the way of viticulture, so that while the vineyards of North Italy were being ravaged with hailstorms and excessive rains, the wine harvest here was being carried on under cloudless skies, in a windless atmosphere, without break or stop.

Quality. The regular official statistics as to quantity of produce will not appear till next April; meanwhile, we have to rely on the separate reports of the syndics of the separate communes for information. It is impossible to obtain reports from all the syndics, but from comparing a good number of them together it would appear that the whole result for Sicily amounts to about 85 per cent. of the average, although in some places we are informed that the produce was the double of last year. We have, too, to rely on the same authorities for information as to the quality, and these reports are conflicting, some reporting the produce as excellent, some as good, and some as middling; the same influences which have modified the quantities in different districts have, naturally, also had a modifying effect on the qualities. On the whole, however, it may be said that about one-half is returned as very good, and the other half is divided between good and middling.

The information which I have been able to procure for the district of Palermo is is follows:—

Palermo.

Area and production in 1889. The area devoted to viniculture in the province of Palermo exceeds 105,000 acres, and the number of vines is about 300,000, and perhaps more. The average production is close upon 1,500,000 hectolitres.

Vine-growing districts. The principal districts, or "territori," given up to viticulture are Partinico, Monreale, Balestrate, Geraci, Palazzo-Adriano, Misilmeri, S. Giuseppe Jato, Termini, Corleone, Bagheria, Cerda, Belmonte, Casteldaccia, Caccamo, Roccapalumba, and Valledolmo.

Production. This year's production has varied owing to the prevalence of south-east winds and other atmospheric influences. Some places, such as Corleone, Geraci, Partinico, Roccapalumba, and Termini have suffered more, while at other places the yield has exceeded last year's. Taking the production of the whole province together, there has been an increase over last year, but yet under the average; the quality, however, is slightly inferior. The yield is given at 1,250,000 hectolitres, but it is early yet to obtain official statistics, and therefore these figures cannot be absolutely relied on.

Quality. Yield.

The production for the whole island would therefore be—

	Hectolitres.
Province of Palermo	1,250,000
District of Messina	750,000
„ „ Catania	1,200,000
„ „ Syracuse..	542,000
„ „ Terranova	30,000
„ „ Scoglitti	600,000
„ „ Mazzara	300,000
„ „ Marsala..	400,000
„ „ Trapani..	91,000
„ „ Milazzo	100,000
Total	5,263,000
Equal to gallons	115,786,000

Wine growers.

These figures can only be accepted as approximate until the publication of official statistics. Comparing them with the average production of the whole island, given at 168,548,400 gallons, there has been a decrease this year of 52,762,400 gallons.

The principal wine growers at Palermo and in its neighbourhood are—

S. A. R. le Duc d'Aumale	Zucco
Principe Baucina	Montemaggiore
„ Valdina	Balestrate
Duca Salaparuta	Casteldaccia
Marchese Mortillaro	Bagheria
„ Vannucci..	Alcamo
„ „ Gallidoro	Casteldaccia
„ Policastrelli	Mezzoiuso
Conte Tasca	Palermo
Cav. G. Corradi	„
„ M. Striglia	Partinico
„ S. Salvia	Casteldaccia
Signor Di Salvo	Ogliastro
„ Lo Verde	Misilmeri
„ Matteo Conti	Palermo

The reports for the other districts are furnished by the respective Vice-Consuls.

Messina.

Messina.

Mr. Vice-Consul Rainford reports for Messina that the quantity of wine produced by this year's vintage in his district is from 700,000 to 750,000 hectolitres, or 15,400,000 to 16,500,000 gallons, the quality being, in contradistinction to reports from other parts, good, the grapes having been exposed to the sun's rays for a long time without rain, and come to maturity without suffering from diseases prevalent in other parts of the island. The extension of vineyards in this province is calculated at from 20,000 to 30,000 hectares (or 74,130 acres). There are no large growers in this province—many of the wine producers only gaining sufficient for their own consumption.

Production.

Quality.

Area of vineyards

Growers.

Catania.

Catania.

The district of Catania is one of the most fertile in Sicily in wine, as in most agricultural produce, and the spirit of enterprise

Spirit of enterprise.

is more energetic there than in any other part of the island, as may be seen in the able report of Mr. Vice-Consul Franck, of which extracts are appended below, and from which it appears

Commission on viniculture.

that a commission on viniculture assembled at Catania on the

Production.

10th of September, and formed a scheme for a series of experiments in viniculture which may have fruitful results. The vintage in the plain of Catania has been more abundant than usual, but the contrary was the case in the hill country in consequence of the rains which fell in the first days of September.

Quality.

The present vintage is calculated to have yielded 1,200,000 hectolitres, or 13,200,000 gallons, and its quality is reported to

Exports.

be good. The exports to Upper Italy, in consequence of the deficiency of the crop there to the amount of 11,000,000 hectolitres (242,000,000 gallons), have been great, and caused a rise of prices, and even exportation to France, in spite of heavy duties, has recommenced on a small scale; exports also to Switzerland, Germany, and South America are increasing, and the prospect for the future extension of exports has raised the depressed courage of the agriculturist.

Syracuse.

Syracuse. Production and quality.

Notwithstanding that the *Phylloxera* is continuing to infest the districts of Pachino and Noto, the vintage on the whole has given a better yield than in the last year, and the wines are of excellent quality.

Prices.

The large demand from the Italian continent has made the price rise from 16 lire to 27 lire per hectolitre (13*s*. to 22*s*. per every 22 gallons).

Yield in figures.

The total production of the province is calculated at 542,000

Exports.

hectolitres, or 11,924,000 gallons, of wines ranging from 11 to 14 degrees alcohol. Of this quantity about 50,000 hectolitres, or 1,100,000 gallons, have been exported from Pachino and Syracuse to Leghorn, Genoa, and to Rouen.

Scoglitti.

Scoglitti.

The district of Vittoria forms an exception to the abundance reported from other parts of the island.

Production.

The annual production is about 600,000 hectolitres, or 13,200,000 gallons, of which two-thirds alone at Vittoria; but owing to prolonged dryness of eight months, and high east winds last May, this year's vintage has been scarce, and only reached 400,000 hectolitres, or 8,800,000 gallons.

Quality.

The quality is good, one-half being of good colour and taste, the other half with less colour. The trade prospects are also good, as owing to damages done to the vines in the North of Italy by various forms of disease in the grapes there has been a large demand from there, and in October 40,000 hectolitres (880,000 gallons) were exported thence. Prices have also risen

Exports. Prices.

for the same reason, say from 15 and 16 fr. (12*s*. and 13*s*.) to 25 and 26 fr. (20*s*. and 21*s*.) the hectolitre (22 gallons).

Terranova.

The vintage has been middling, the district having suffered from the ravages of the *Phylloxera;* the quantity is reckoned at 10,000 hectolitres (220,000 gallons). The quality is considered excellent, and as there is a steady demand future prospects are good, and prices range from 22 to 25 fr. (16*s.* to 20*s.*) the hectolitre. Terranova. Production. Quality.

The area occupied by vineyards is between 500 and 600 hectares. Area of vineyards.

An important wine-producing place in this district is Niscemi, but the produce there was less than last year, and did not exceed 20,000 hectolitres (440,000 gallons). The quality was excellent, and the same prospects rule as at Terranova. It is difficult to give the area, but it is very vast.

The principal growers are— Growers.

Cavaliere Lucio Jacona.
Signor Tommaso Masaracchio.
„ Vincenzo Romano.
„ Alfonso Malerba.
„ Rosario Malerba.
„ Celestino Guariglia.
„ Ignazio Lemoli.
„ Giuseppe Vacirca.

Marsala.

Mr. Vice-Consul Gray reports that the quantity of wine produced may be calculated, roughly speaking, at 400,000 hectolitres (8,800,000 gallons), or about one-half more than the production of last year, and on an average can be considered an abundant one, and much more so than was expected on account of the dry summer; and in consequence proprietors found themselves at the last moment unprovided with sufficient casks to store their "mosto," the surplus of which they were only too glad to sell to speculators even at a ridiculously low price. The increase is, however, to a considerable extent due to the great number of recently planted vines. Marsala. Production.

The quality, as far as can be judged, as it is too early to form a really correct opinion, is very considerably inferior to that of last year, as it is deficient in saccharine matter, or, in other words, in alcoholic strength. Quality.

The trade prospects are good, owing to the scarcity of the vintage in most parts of Italy, and it is very probable that high prices will be obtained for an inferior quality of wine. Trade prospects.

The area of vineyards in this district may be roughly calculated at about 15,700 hectares (about 40,000 acres), and the number of vines at about 56,250,000. Area of vineyards.

Trapani.

Mr. Vice-Consul Marino reports that the vintage in the immediate neighbourhood of Trapani was middling in quantity, as Trapani. Production.

owing to the prolonged dryness, some of the proprietors feared that if the heat continued it would spoil their produce, and so anticipated the usual time for vintage; others, however, hoped that there would be some showers of rain, and their hopes being realised they had a good and abundant crop. This accounts for the vintage having been good in some parts and bad in others, consequently middling when taken altogether.

The quantity thus produced is about 2,000,000 gallons, and that in the whole province, including the districts of Marsala and Mazzara, is put down at 24,181,300 gallons. However, in the absence of reliable statistics entire credence cannot be given to these figures.

Trade prospects.

Trade prospects are good, owing to increased demands from abroad causing prices to rise, and efforts are being made both by the Government and by private persons to improve the qualities of their wines and to find new markets for them.

Wine growers.

There are few large wine growers, the majority being of small ones, and of these again there are some that employ no workmen, but attend to everything themselves. Of the large growers the most notable are—

Vito Lombardo Reuna.
Barone Girolamo Adragna.
Fratelli Platamone.
Leonardo Lombardo.
Barone Curatolo.

And although their manufacture of wine is not conducted on the latest improved and scientific methods, yet they possess in their cellars wine half a century and a century old, of a somewhat bitter taste, the saccharine matter of the grape having gradually developed itself into alcohol, a gallon of this old wine is enough to give body and strength to a hogshead of new wine.

Area of vineyards.

The area in the whole province devoted to viticulture is computed at 176,295 acres.

Milazzo.

Milazzo.

Mr. Trifiletti, the Vice-Consul, corrects the figures, given in previous reports, of the wine production, and says that at Milazzo it is nearly 7,000 tons, but when that of the neighbouring places is added it amounts to 10,000 tons in all; and that this amount has all been exported, though not to France, whence it has been deviated owing to the rupture of the treaty with that country, but to fresh markets in Switzerland, Germany, and South America.

Production. Exports.

Port of shipment.

The port of shipment for the whole district is Milazzo itself, which offers special facilities for the purpose, and moreover it has been selected by some French and Spanish merchants for manufacturing wines intended for South America, and they have imported wines from Marsala, Riposto, Syracuse, from Calabria and other places. These they mix altogether, and produce a type suited to the South American markets. In the spring of 1889 they exported thither about 4,000 tons.

The quality of the wine produced this year is considered good and very superior, and so far a large portion has been exported to Switzerland, Germany, and Northern Italy, and the remainder will be exported shortly. Quality of wine.

Prices have ruled from 30 to 32 fr. (24*s.* to 25*s.*) per hectolitre (22 gallons). Prices.

Mazzara.

The wine-growing places within this district are Mazzara, Campobello, and Castelvetrano, the area of which is very largely devoted to vineyards. Mazzara. Wine-growing places.

The yield this year from them all has been nearly 300,000 hectolitres, or 6,600,000 gallons. Production.

There are other places within this district, such as Menfi, Partanna, Santa Ninfa, and Salemi growing vines, but owing to the unfavourable nature of the soil and its exposition they do not produce very much; in fact, only enough for local consumption. Other wine-growing places and their produce.

The quality of this year's produce has been very good, owing to climate, mild temperature, and other favourable circumstances. Quality.

Although there is no exportation to France, yet, thanks to the efforts of the Italian Government and the deficient crop in the North of Italy, trade prospects are good, and it is to be hoped they will be realised in order that wine growers may be encouraged to improve their produce, "the fabrication of which is still a hidden treasure in our country." Exports.

The merit of good preparation of wine on this coast is due to the English, and great riches are to be made out of the wine industry, which is the staple production of this district. Preparation of wine.

The number of vintagers increases yearly in proportion to the yield; their pay is 1 lira 27 c. a day, besides their food, consisting of macaroni, leguminous substances, fish, cheese, and wine. Vintagers.

The principal growers are—

Flli. Saporito Ricca,	Castelvetrano
Sciacca Saporito	,,
Tortorici	,,
Cusumano	,,
Nizzola	Campobello
Accardi	,,
Cirabisi	,,
Flli. Favara e fi.—	Mazzara
,, Burgio Gazzera	,,
,, Maccagnone	,,
,, Maiale	,,
Bonacasa	,,
Spano	,,

All Sicily.

When the vintage began early in October there was a very abundant crop, so much so that prices fell very considerably. Grapes were sold at 45 fr. per weight of 700 rotoli (old Sicilian weight), equal in English weight to 35*s.* per 11 cwt., or a trifle more than $\frac{1}{4}d.$ per lb.; and the white must at 40 fr. per butt of 586 litres, equal to 32*s.* per 128 gallons, and, as every gallon is reckoned to hold 11 doz. bottles, it follows that the price of must in the country fell to something like $\frac{1}{4}d.$ per bottle. Black must Prices.

was more sustained, being sold at double the price of the white must.

These exceedingly low prices were due not only to the abundance of the crop, but to the fact that proprietors were taken by surprise, and had no casks or butts to store their wine, and rather than throw it away preferred to dispose of it at any price. It can easily be imagined what a fortunate time this was for speculators, and what profits were attainable.

Later on, when the demand from the North of Italy and elsewhere came, and the crop was after all not exceedingly plentiful, prices naturally rose, and at the end of the vintage quotations were as follows:—Province of Palermo, white wines from 12 to 22 fr. per hectolitre, red wines from 18 to 26 fr. per hectolitre, the dearer places being in the hilly district of Misilmeri, and the cheaper near Castellamare Bay; at Messina from 25 to 32 fr. per hectolitre, at Catania from 27 fr. 50 c. to 32 fr. 50 c. per hectolitre, at Syracuse from 27 fr. per hectolitre, at Scoglitti from 25 to 26 fr. per hectolitre, at Terranova from 22 to 25 fr. per hectolitre, at Marsala from 15 to 24 fr. per hectolitre, at Milazzo from 30 to 32 fr. per hectolitre, giving an average of 25 fr. per hectolitre, or 20*s.* per 22 gallons (11 dozen), and therefore at 1*d.* per bottle, wholesale price.

Labour.

The price of labour employed in the viticulture and vinification in Sicily varies in different districts. It is highest at Marsala, where it is reported to be for men 2 fr. 25 c. per day. In the province of Messina it varies from 1 fr. 25 c. to 3 fr. per day. At Scoglitti wages are 1 fr. per day, a bottle of wine, and supper. In Catania, for pruning, the men 1 fr. 70 c. per day, besides one meal of minestra and wine; for hoeing 1 to 1 fr. 25 c. per day, and wine, without minestra; for propping and cleaning vines (women's labour) form 60 to 75 c. without food; for gathering grapes (men and women's labour) 1 lira per day, with minestra and wine; for weighers, 1 lira 50 c. per diem, with minestra and wine. The minestra consists of oil, cooked food, made of some sort of leguminous substance, chiefly beans, and may be worth 15 c. ($1\frac{1}{2}d.$) per head.

As regards the quantity of labour employed in the vintage and subsequent operations, information as to which is of importance for intending wine growers in the colonies, it is impossible to get precise information owing to no records being kept, but Mr. Vice-Consul Gray calculates that one man's labour for a day is required to produce $2\frac{1}{2}$ hectolitres of wine. This is got at from the following rough calculation of labourers that would be required for making 20 hectolitres in a day:—One man to tread out the grapes, four men to gather the grapes, two men to press the grapes and husks after they have been trodden out, one boy with donkey to carry the grapes from the vineyard to the wine press.

Additional notices of wine growers.

Information as to the operations of various great wine growers in Sicily, especially of Lord Bridport, having come before me too late for my previous wine report, I beg to subjoin notices of the most important.

Duchy of Bronte wine.

During the vintage I had an opportunity of visiting the estate

of the Duchy of Bronte, given to Nelson by Ferdinand IV., of Naples, in 1799, and which has descended through the female line to General Viscount Bridport, K.C.B., Duke of Bronte, and has been since 1873 under the management of his third surviving son, the Hon. Alexander Nelson Hood.

"Stabilimento Enologico" at Castello di Maniace.

This estate possesses one of the most important "Stabilimenti Enologici," or wine factories of Sicily, near the Castello di Maniace, the seat of the family in Sicily, in a district remote from the ordinary track of travellers. Before I was able to visit Maniace in person, I only knew of the great work proceeding there, of which viniculture only forms a part, from casual conversations; indeed, the wine-growing business of the duchy has been conducted modestly, but energetically, for many years, and the promoters have carried on their work in silence till the product of their labour and experiments was in their opinion fitted for the market.

As this period has now come, and as the history of the estate must have a romantic interest for Englishmen on account of its connection with our greatest naval hero, who always signed as Nelson and Bronte (or Bronte Nelson, until the royal grant was made to him), I venture to add, as supplementary to my former report of the progress made by the great Sicilian vine growers, details as to the wine operations going on in the Duchy of Bronte.

Descended from Nelson to Lord Bridport.

The duchy was devised by Nelson, by a will preserved at the castle, to his brother Earl Nelson, and from him, by the rules of Sicilian law, it devolved on his daughter and only surviving child, Charlotte Mary (Lady Bridport), mother of the present duke, who, as actual "Padre Abbate," enjoys all the immunities and privileges appertaining to ecclesiastical jurisdiction.

Situation of Duchy of Bronte.

The Duchy of Bronte, thus formed, is situated at the extreme limits of the province of Catania. The Castello di Maniace, the seat of the family, and of the administration of the duchy, is about 30 miles distant from the eastern and at much the same distance from the northern coast, at about six hours' drive from the nearest railway station at Piedimonte, on the line from Catania to Messina, at 10 miles distance from Bronte, itself a town of 16,000 inhabitants, and at four miles distance from the nearest village, that of Maletto, which gives the title of prince to a Sicilian family.

The castle itself, over whose entrance gateway the banner (blue and crimson) of the family floats in baronial state, has been thoroughly restored and furnished with all the comforts of an English home, and this, with the palace of the Prince Baucina at Montemaggiore, form, I believe, the only two veritable country houses in Sicily, for the Sicilian proprietor in general not only resides in cities, but is for the most part an irreclaimable absentee; and though there are castles which were formerly country seats, they are neglected, and for the most part merely ruins.

In the Castello Maniace Nelson records, in the shape of oil pictures, contemporaneous engravings, plans of sea-fights, reproductions of busts and statues, &c., recall to memory the story of the hero on every wall; and one of the distinguishing features of

the residence is the perspective offered by an immensely long corridor, leading past what were once monastic cells, but are now sleeping apartments, while the corridor itself is lined on both sides with representations of Nelson's life and achievements, interspersed with collections of majolica, porcelain, and antiquities.

Improvements on estate.

When the estate was erected into a duchy and handed over to Nelson, it was in a bare and wretched plight. It was 40 miles distant from any carriageable road, and no proprietor had lived on it for 200 years. After the flight of the last monastic proprietors, from 1693 to 1799, the property was in the hands of caretakers. Reforms and improvements were commenced on the estate soon after Nelson received it, but little was done on a grand scale until the succession of the present duke in 1868. No members of the family had then visited the place for 40 years. Roads were immediately commenced, and Mr. Hood had the satisfaction of being the first to drive down to Maniace in 1873, and the mileage of roads on the property has now been increased to 12 miles. Farmhouses have been repaired and built, several bridges over torrents at times unpassable erected, and the "castello" itself restored and enlarged not only to make a suitable dwelling-house, according to English notions, but also to allow for storage of grain and wine, and for stabling, while the ravages of the Simeto had to be restrained with solid bastions and embankments. Indeed, when the castle was delivered over to Nelson it was quite a ruin, threatening entire disappearance, without a scrap of furniture on the premises.

The Hon. A. Nelson Hood actual manager.

One of the chief events in the history of the improvements which are going on was the introduction of a 10-horse power traction engine from England, from the firm of Messrs. Clayton and Shuttleworth, of Lincoln, whose journey up to Maniace, through Linguaglossa, Randazzo, and other places, under the conduct of Mr. Nelson Hood as chief engine-driver, excited a commotion in the country, the memory of which survives as something quite out of the common. Mr. Hood not only acted on this occasion as chief mechanician, but has turned his versatile talents to account on the estate as engineer, architect, cabinet-maker, decorator, and master cooper. Roads have been laid out, wine magazines or "cantine" erected, casks and vats of colossal size fabricated with his designs and under his direction. It is indeed gratifying to find such evidence of what English energy, intelligently directed, can do in a district which was formerly one of the wildest and most deserted in Sicily.

The estate itself comprises vineyards and arable lands growing magnificent crops of wheat, lava lands furnishing the valuable pistachio nut (a yearly offering of which is graciously accepted by Her Majesty the Queen), and almond and orange groves flourish in the more sheltered parts of the estate. The forests of oak and beech mentioned above form a considerable proportion of the value of the estate.

Vineyards of Duchy of Bronte.

The vineyards of the estate are situated at the distance of about a mile from the castle, descending the Simeto; to arrive

there one passes through a grove of fine oaks. The vineyards themselves extend over about 240 acres of ground as level as a chess board, and their aspect, when viewed from an elevation, is most refreshing in the regularity of the rows of the planted vines, and in the brilliancy of their verdure. Elevated look-out houses are erected at different points for watchmen employed during the season of ripening, as a protection against pilferers. The soil is very deep and uniform, and consists of a friable alluvial deposit of argillaceous loam spread over a spacious plain. This alluvial deposit has evidently been washed down from the detritus of the surrounding mountains, which, with the great mass of Etna, overlook and screen the vineyards on all sides except the south. The elevation, like Maniace itself, is about 2,000 feet above the level of the sea. The depth of the permeable soil is evidently one of the chief causes of its efficiency.

Careful preparation of vines.

Experiments were made in nurseries for many years on the kinds of vines suited to the soil, and from the beginning of the vineyard Mr. Hood, as director-in-chief, has been aided in the management by a French gentleman, M. Fabre, with an assistant, M. Ricard. Vines were procured from Madeira, from Bordeaux, from Rousillon: the Palomino vine and the Hermitage vine were also tried, as likewise were some samples of the Pedro Ximenes of Spain, transplanted from the estates of the Duke of Wellington at Grenada; but the vine which has been selected as suited best to the soil and climate is the "Grenache noir" of Rousillon. The youngest vines utilised are now seven or eight years old; the oldest have 15 years of growth. Each vine stands in a square of ground somewhat larger than a square metre, and great care is taken to keep the soil free from weeds by frequent horse-hoeing. The vines are pruned three times over every year, and in the summer the exuberant shoots are removed by hand in order that the vigour of the vine may be concentrated on the fruit: great attention is paid to select the moment of proper maturity for gathering the grape, and only the best bunches are selected for wines for export, the inferior grapes being left for inferior wines, which are consumed in the country. The time of vintage is, as in other places, quite a festalperiod: from 120 to 150 men, women, and children come from all sides to assist in the vintage, and they live wholly on the premises until all is concluded, taking their meals in a somewhat primitive fashion in open air, out of long wooden troughs, and ignoring, in Oriental fashion, knives and forks, and a fair proportion of grapes are left hanging on the vines for gleaners after the harvest, in patriarchal fashion.

Vintage operations.

The time of the vintage being carefully chosen, as above-mentioned, the grape-plucking is carried on in groups of 20 pickers, women and boys, each group being marched in Indian file from the "stabilimenti" to their allotted vine rows by two overseers. The pickers carry their baskets on their heads, set them down, and then cut off the bunches with knives, under the supervision of the overseers, who see that no inferior grapes are selected. When each group has filled their baskets, they are marched in the same manner

back to the "stabilimento" to the "palmento" or pressing-house. All work with alacrity and joyousness, as though animated by the spirit of the youthful Bacchus himself. The boys especially laugh and grin like young satyrs and fauns, and the oldest and plainest women seem to look younger and more pleasant. The boys, not content with carrying their heavy baskets straight to the pressing house, prolong their route by executing a sort of rude "fantasia," marching in a circle around the central fountain of the interior quadrangle, and chanting songs in chorus, which may be a distant echo of the "Evöe Bacche" of classic times, after which tribute to Liber and the Graces, they deliver in their burdens one after another at the windows of the pressing house. The "stabilimento" itself is one of the finest in the island, and, as mentioned, Mr. Hood was his own architect. The interior quadrangle is about 120 feet long by 100 broad. On the shortest sides are gates for entering the premises, while one of the largest sides is formed by the pressing house, and the other chiefly by the "cantine" or "dispense," the wine magazine. In this magazine the tuns or casks are stored in imposing array; the largest tun has the majestic name of "La Madre," and bears it on her face in the largest of capitals, and contains 152 hectolitres (3,344 gallons), or 18,200 bottles, and a good-sized dinner party might be accommodated in its interior, when empty, if a floor were put to it. There are, besides, two enormous vats closed at the top, which are, in fact, also casks, but of a different shape, and these are about double the size of "La Madre," and capable of containing together 60,000 bottles, besides which there are 20 casks of 75 hectolitres, and 120 of smaller dimensions.

Grape pressing.

The grapes, having been delivered in, as above described, at the windows of the pressing house, are passed on at once to the men who do the work of wine pressing. The bunches are first placed pell-mell on a series of dressers, such as are used in the Gironde, fitted with sieves, whose meshes are large enough to let the berries of the grape fall through, but to retain the stalk, when the grape bunches are rolled upon them, and these manipulators exercise a second supervision as to damaged berries. The berries of the grapes, leaving the stalks behind them, fall through on the floor, and are then raked along to the pressing room, where the wine pressers are engaged in going round, like mill horses, in an endless circle, trampling in turn over each supply of berries as provided for them; they, too, are under the direction of a superintendent. No use of a machine as a wine presser is made at Maniace, as the action of the feet is considered here, as a Montemaggiore, preferable; but the feet are not shod, as in other places, with hobnailed boots, but with light mocassins of gutta percha, which, with the feet of the presser, are carefully washed every morning and evening. The men are clothed simply in drawers and shirts, and as the trampled berries spurt freely round their legs, these have a sufficiently blood-stained appearance. After this trampling has gone on for a due time, the grapes are heaped up in the centre, and an instrument called the "donkey"—a large, round platform of

Fermentation and education of wine.

wickerwork—is put on the heap, upon which the wine pressers all jump together, and then that batch is considered finished, and the husks are raked away, and a fresh batch from the triers raked in. From the floor of the pressing house the juice runs in continuous streams through tubes of caoutchouc into square reservoirs in an adjacent compartment on a lower level, and in these reservoirs the first fermentation is allowed to proceed; the length of time allotted for which fermentation depends on the season and the quality of the must. It need not be said that the whole premises of the "palmento" not only have a Bacchanalian reek of the juice of the grape, but become extremely purple-stained, from the spurting of juice over the walls, so that a thorough process of white-washing has to go on as soon as the vintage is over to prepare the building for the next year.

Fermentation and education of wine.

After the first fermentation, the juice is carried across the quadrangle in skins of goats or pigs (reminding one of the nocturnal onslaught of Don Quixote, who slashed and pierced a number of similar skins hanging in the garret of his venta where he slept, under the idea that they were Saracenic invaders) to the "cantina" on the other side of the yard, and there transferred to the larger tuns and vats above described.

The quality of the must is, during each vintage, the subject of careful analysis. There is a special room, something like a chemist's laboratory, and provided plentifully with instruments for experimenting on the quality of the must—syphons, pumps, saccharometers, salleron—and other alcoholometers, œnoterms, graduated testing and tasting glasses, &c.; but the chief reliance is placed upon the unassisted palate itself for determining what should be the duration of the initiatory stages of fermentation.

When the must, after its first fermentation, has been transported into the big casks and vats in the great "cantina" as above mentioned, it is then allowed to clear, and subjected carefully to the ordinary process of racking and fining for three or four times a year for about seven years.

It need not be said that the casks, for the final lodgment of the wine, are prepared with all possible care, and each one subjected to severe scrutiny before the wine is sent forth for exportation. These casks are prepared on the "stabilimento" itself, and from wood coming from the estate.

Quantity of produce.

When the vineyard is in good working condition, it is calculated it can render 180,000 bottles a year.

Description of wine.

The wine thus prepared is of a light, amber colour, dry, of pleasant bouquet, of a good aroma, with full natural body ("corsé" is the French term), esteemed beneficial for invalids; lighter than Marsala, with something of a flavour between Madeira and Sauterne. It has a clear, *primesautier* taste, and it is said to keep any length of time and improve in bottle.

Cost of wine.

No attempt, notwithstanding the immense care which has been expended on the production of this wine for many years, has, as before stated, been made to place it in any market. It has, however, been highly appreciated in private by connoisseurs, and it is

confidently believed that wine prepared with such patience, tact, and liberal treatment will find a permanent and favourable acceptance on English tables, especially as the price is modest compared with those of notorious compounds styled sherries and Madeiras, costing no more than 30*s.* a dozen.

"Calatubo" wine.

In my previous report I mentioned the wine of "Calatubo," produced by the Principe di Valdina, as being one of the finest of Sicilian white wines. I hear that this wine has found favour with well-known connoisseurs, themselves wine growers, and that the demand for it abroad increases.

I found some difficulty in getting any information about it. Some noble proprietors are very coy about giving information touching their vinicultural operations, treating them as a mere pastime, and preferring to be regarded as exclusively occupied with the cares of polite life. I was informed, on inquiry, respecting one wine produce, that the proprietor did not occupy himself with such things ("*si da alla vita elegante*"); but this was not the case with the Principe di Valdina, for the difficulty arose from his absence. On his return he obligingly furnished me with details respecting his wine.

The vineyards from which the wine is grown are about four miles distant from the railway between Palermo and Trapani, sloping down to the beautiful Bay of Castellamare. The ex-feudal estate is overlooked by the ancient fortress, Calatubo, Moorish in origin, as is evident from its name. The vineyard is not a large one, consisting only of about 75 acres.

The "Stabilimento Enologico," or wine factory, is one of the finest in the island, and entirely the creation of the Principe don Pietro Papé di Valdina, who rejoices also in the titles of Duca di Granpillieri and Barone di Calatubo.

The vineyard contains about 200,000 plants, almost entirely consisting of the white "Cataratto," with a slight admixture of black "Perricone." The vegetation of the plants is as luxuriant as that of the most renowned vineyards in Sicily. The fruit is considered mature from about September 20 to 25 in each year, and gives a product of about 2,400 hectolitres of must every year. The grapes give from 60 to 70 per cent. of must, containing from 14° to 15° of alcohol at 15° of Celsius. The wine pressing of the superior wines is done by men in boots, the pressing by machine being reserved for the inferior wine. The temperature of the must is in fermentation from 22° to 24° Celsius, to 38° in the "tumultuous fermentation." In the first year it is changed about three times, and twice in each succeeding year: in the third year it is put in bottle, and kept in bottle for a year, after which it is sent into the market. The alcoholic strength varies from 14° to 15° per cent. The extractive amounts to about 50 grammes per litre, and contains as much tannin as the best pure wines, and also the same amount of acidity.

Analysis of Calatubo.

The wine has a delicate bouquet, and it is remarkable that, though the country abounds in vineyards on all sides of the Prince's estate, no wine approaching it in excellence has been produced in the neighbourhood.

The wine may be defined to be a good, light, dry wine, with not much body, but with a fine bouquet, and with a very delicate special aromatic flavour. It is, in fact, perhaps the lightest wine in the Sicilian market, although its keeping qualities are not inferior to those of any known wine: if I were asked to compare it with any other known wine, I should say that it reminded me, when I first partook of it, of one of the good Hungarian light wines, or, perhaps, rather of old Rhenish.

The list of prizes accorded to this wine in different exhibitions is formidable and not undeserved. The list of gold medals alone is:—Liverpool International Exhibition, 1886; Paris Wine Exhibition, 1887; Vatican, Rome, 1888; Palermo Wine Exhibition, 1889; Paris Universal Exhibition, 1889; and the prices are the same as those of the "Corvo" wines, mentioned in my previous report.

Mezzoiuso wine.

I have also, since my last report, had the opportunity of becoming acquainted with the red and white "Mezzoiuso" of the Marchese Policastrelli, which are certainly also among the very first, if not the very first, among the light wines of Sicily, both for manufacture and flavour. They are produced on his estate at Mezzoiuso, about 20 miles distant from Palermo, near the Piana dei Greci. The white wine is something similar in flavour to a Chablis, with a slight dash of Sauterne; the red wine could not be distinguished from a good Bordeaux. Both wines are of fine transparency, and fit to rank with really good French wines. The red wine especially has proved to me that a really first-rate red wine is to be produced in Sicily, but I have been able to get no details as to its manufacture, as the proprietor is always absent and absorbed with more engrossing cares, and no efforts are made to place it in the market.

"Vino Navurra."

The "Vino Navurra" is a white wine, produced by the Cavaliere Salvatore Salvia on his estate in the neighbourhood of Casteldaccia.

The vineyard is situated on the slope of a hill facing south. It has 100,000 vines, which are pruned in January and propped with canes in February. The ground is hoed in March. In the months of June and July sulphur is sprinkled over the leaves to kill any parasite that may appear.

The vintage is late in November, and when the grapes are juicy and alcoholic. Great care is exercised in chosing and picking the grapes, and only the good ones are crushed by trampling on them. The must is passed into the butts, and ferments there. After 48 hours a little boiled must is added to give taste. The wine is changed three times in the course of the year. The white grape grown is the "Inzolia."

Signor Salvia also produces a red wine from the "Perricone" grape. The same care is shown in picking and crushing the grapes, and they are allowed to ferment in the vats first, and then passed into the butts, where they are frequently changed.

Although this wine has been exported to France, Germany, and the North of Italy, and been favourably received, Signor

Salvia has not yet attempted to introduce it into the English market; but now that he has received so much encouragement he will in all probability send it to England.

The vintage this year has not been an abundant one to him, as the scirocco winds in May, 1889, dried up a great many buds. The vineyard costs him about 200*l.* sterling a year.

This "Vino Navurra" of the Cavaliere Salvia may be confidently recommended as an ordinary table wine. I have now made use of it as a regular table wine for two years, and, diffident of my own taste, invited some English gentlemen, well versed in the knowledge of wines and in vinification, to try it and compare it with other wines, and they adjudged it to be a better wine than those of greater pretensions. It is the driest wine produced in Sicily fitted for transport; it is also one of the lightest Sicilian wines, of a good transparent, dark, amber colour, with no earthy flavour; perfectly sound, clear, and pure, and keeps well; and it has a recommendation which is one of the best a wine can have—people do not get tired of it in spite of its unpretending quality. This modest wine costs, when put on the table at Palermo, about 2½*d.* per bottle, and it has been calculated by an expert that it can be served on an English table at 4½*d.* per bottle, or 4*s.* 6*d.* per dozen.

Marchese Curtopassi.

Since the issue of my last report the red wines of the Marchese Curtopassi, at Bisceglie, in Puglia ("Sorgente" and "Santa Barbara"), have met with considerable success at the Universal Exhibition at Paris, both having been rewarded with prizes, and extolled for the merits of their preparation and the velvety softness and cleanness of their taste, and also for their bouquet. These wines had previously received diplomas at the Exhibition at London—the "Sorgente" one of the first, and the "Santa Barbara" one of the second class.

The proprietor's aim is to produce a superior ordinary red wine. The average produce of each of the wines is about 15,000 hectolitres, or 330,000 gallons a year. The wine is sold from the estate, not in bottles, but in casks called "bordelaises," each containing from 225 to 228 litres (49 to 50 gallons). Both wines are delivered free on board on application at Brindisi—the "Sorgente" for 115 fr. (4*l.* 12*s.*), and the "Santa Barbara" for 105 fr. (4*l.* 4*s.*) per cask, which prices would come in bottling to less than 4*d.* per bottle, or 4*s.* a dozen. Application should be made direct to the owner, the Marchese Curtopassi, Bisceglie, Italy.

The greatest pains have been bestowed for years in the production of these wines, the Marquis having expended about 3,000,000 fr. (120,000*l.*) in their production. Both viniculture and vinification have been directed by French managers, and the latest improvements and machinery (including tramways) have been introduced to facilitate operations.

It was through an oversight that Bisceglie was mentioned in my last report as of Calabria: it lies in the rich province of Puglia, the classic Apulia, the birthland of Horace ("me fabulosæ

Vulture in Apulo, &c."), and renowned in Roman times for its general agriculture, as well as for its wines. The export of the wines of Puglia to the North of Italy each year to aid in the making up of North Italian wines is very large.

Other good red and white wines are those of the Lo Verde family, produced at Recupero, in the district of Misilmeri, and these are the wines of lowest price on Palermitan hotel wine lists. This estate is about 20 miles to the north-east of Palermo, and is on the side of a hill with a southern aspect. The production yearly is about 35,000 gallons. Vino Misilmeri or Recupero.

The vintage is made the last in the whole neighbourhood. Only the good grapes are picked off the bunches, and pressed in machines and not by trampling under foot. The fermentation takes place in large butts, and the must is changed every two months at first, then every three months, and no wine is sent out under two years. Its price is higher than that of any other ordinary wine, and always finds purchasers.

Nothing whatever is added to the wine to clarify it or to fortify it, &c. Its alcoholic strength is 13° to 14°, and it has been exported to Germany, America, and Northern Italy, and arrangements have been made to send it to Austria. It gained a bronze medal at the wine show at Palermo this year. Its export price is 45 fr. the hectolitre (f.o b.) at Palermo.

It is self-evident, from the details of this and my previous report on Sicilian wines, and especially having regard to their prices, that the quantity of good grape juice yearly produced in Sicily, and running, as it were, to waste, is quite enormous. But it is also indisputable that both as to quantity and quality they are capable of indefinite improvement by due attention to the arts of viticulture and vinification, which, according to the report of Vice-Consul Favara, are a "hidden treasure" in Sicily. Those of viticulture are to be improved by a proper selection of the vine itself, and by a proper regard for the requisites of the soil, and of its aspect and elevation. The primary consideration is that it is the very grape itself that has the power of producing good wine. The genius of the wine lies in the grape, and as there are strong wines and weak wines, so there are strong grapes and weak grapes. There are vines, too, adapted to particular aspects and elevations, and to special physical and chemical constitutions of the soil, and it is a peculiarity of the vine that soil quite worthless for other products can be turned to good account in the cultivation of the vine. Enormous production of wine unused. Improvements it is capable of.

It must be remembered, too, that some of the most favoured vintages, like those of Bordeaux and Moselle, are the outcome of about a millennium and a half of careful culture. Ausonius, the Latin poet, who lived in the 4th century, was a native of the Gironde, and writes already of the Bordeaux and Moselle wines as being world-renowned wines in his times. Ausonius was proud of his provincial capital, "his bright Bordeaux," and praises the district as "insignis Baccho;" and of its oysters (which no doubt were as good as those of Arcachon) he says they were "non laudata Ancient reputation of Bordeaux and Rhenish wines

Burdigalæ nitentis.

minus quam nostri gloria vini," while of Moselle he writes that the country reminded him of his own city ("Burdigalæ nitentis") as well for the goodness of its climate as for the goodness of its wines.

It may be imagined, therefore, that the experience of so many centuries has engendered something like an hereditary instinct in the way of marrying soil and wine together for wine culture, and in the treatment of the grape juice when produced by suitable methods of viniculture.

Good wines in Sicily are of very recent growth.

White wines especially successful

Efforts of Prince Baucina and Lord Bridport.

Marsala wine and sherry.

In Sicily, apart from the wines of Marsala and the Moscato of Syracuse, wines with a view to export have only been attempted to be produced within the last few years, and their culture is quite in its first infancy. In their white wines they have, it cannot be denied, met with encouraging success, many of them being already suited for export; while the wine of the Johannisberg type, made by the Prince Baucina, rivals the very finest wines of Europe, and is a convincing proof of the excellence which may be attained here generally by forethought, attention, and patience, and the same may be said of the new wine now first produced by Lord Bridport; while as for the older and better known wine of Marsala, if a glass of it is not preferred in its pure state to a dram of doctored alcoholised sherry, we are afraid some such reason must be given as that which Fuseli gave for Petrarch not being appreciated by the English public.

Sicilian red wines not so successful yet.

That the Sicilians have not succeeded so well in their red wines is apparent; but the want of success lies in defective final preparation, since the French for many years have been enabled to introduce them into the world's markets after due manipulation at Cette and Bordeaux.

Defects in red wines of Sicily with exceptions.

The red wines are, with the exception of the production of the Marchese Policastrelli, of the Marchese Curtopassi, at Bisceglie, the Cavaliere Striglia, and the Barone Spitaleri, and some others, generally wanting in softness and smoothness, and have sometimes an earthy taste. They are too much too dark in colour, and are far from having the ruby-like glow of the Bordeaux and Burgundies, and do not mix well with water; neither do they bear transport well, although several sorts are palatable enough when drank in the island.

Reasons given for non produce of good red wine, but not acceptable.

It is objected by some that the climate of Sicily is too hot for the production of a good, light, red wine, as too much saccharine matter is developed in the grapes; but the experience of Australia goes to prove the contrary, for there, with a hotter climate in the summer than Sicily, they have succeeded in producing excellent wines of the Burgundy type. The devices by which, besides the ordinary operations of racking and fining, wines are induced to depose the superabundant matter which impairs their colour and makes them turn to acidity, are very various in different parts of the world. In Burgundy wines are frequently, when it is thought necessary, exposed to be frozen, and "the frozen, concentrated, and purified wine is drawn off from the net-work of watery icicles and impurities which remain in the cask" (Dr. Druitt's report on wines, 1873, p. 19). A process different, but with the same idea

Methods adopted in France and North Italy to improve red wines.

at the bottom of it, as is pursued with the fine wines of the Valtellina, which are sent yearly in Bacchanalian procession up to the valley of the Engadine to pass a winter in the Siberian temperature of the cellars of Pontresina; and Pasteur considers that such a treatment is better for the wines than the application of heat, which is sometimes said to effect a similar purpose; and here, it may be mentioned, that all well-prepared natural wines should contain a due proportion of wholesome acids, and the acidity or acidulousness resulting from these is very different from the sourness produced by defective fermentation.

It is clear from such examples, or others that might be cited, that the methods by which fine red wines are produced are very various; and where success is achieved the methods have been the result of careful thought, subtle experiments, and constant watchfulness, and the pains bestowed to bring wines round when they show signs of going wrong without appealing to quack remedies in the way of injurious admixtures is often very great.

Careful treatment of vintages by growers in the Gironde.

I have been informed that the watchfulness of the proprietors and managers of the best vintages of the Gironde is increasing, and that they unite together in consultations at set dinner parties and other occasions for the purpose of comparing notes on the condition of their wines in their various stages, and of the effects upon them of the seasons with the variations of temperature. I have learned also that which is perfectly reasonable, that the reason why the "grands crus" of Bordeaux vary so much in quality from year to year is that the proprietors make it a point of honour never to admit of any quack treatment of their wines to remedy the effects of a bad season, but serve them naturally, remedying their defects as well as they can by regular processes; while the ordinary wines of the Gironde preserve for the most part a constant goodness, because they are doctored up to that degree of goodness. Consequently, one of the leading wine growers in Sicily has informed me that of late years, even in France, he has discovered a deterioration in the ordinary wines of that country, which used to be excellent as ordinary wines, owing to the excessive doctoring which they had received to remedy bad seasons and deficiency of supplies, and that he could frequently distinctly trace in them the flavour of common Sicilian wine. Indeed, by the so called "Petiot process," invented some 20 years ago, natural wines, by the simple addition of sugar and water, can be refermented and extended to double their original bulk; and this is a process which has been largely practised upon Sicilian wines, which then, with an admixture of a little French wine and other ingredients, including a drop or two of essence of violets to give bouquet, are distributed as French wines, while other "succedanea," such as must manufactured from dried raisins and currants, and even from cider and perry, have been largely employed and chemically treated to pass them off as French wines; and the latter practice is so common that it formed the subject of an amusing caricature lately in "Charivari," in which a father takes his son over a vineyard, with a view of making him remember that there was a time when wine was really made of grapes.

Ordinary wines brought up to constant type by aid of Sicilian wines and doctoring.

"Petiot" process in France practised on Sicilian wines.

Injurious ingredients introduced into Sicilian wines in France.

Comparative production of grape juice, of cider or perry, of liquors and spirits, from wine, cereals, tubers, and treacle, in France.

It is a significant fact that during the great dearth of grape juice, caused by the *Phylloxera*, from 1881 to 1888, the increase of production of cider and perry in France amounted, on the average, to 15,000,000 hectolitres per annum; and also that (turning to alcohols), while in the decennial period from 1840 to 1850 liquors and other spirits from wine amounted to 815,000 hectolitres, and 77,000 hectolitres from cereals and tubers, during the period of dearth the product was 33,000 hectolitres of alcohol from wine, 42,000 hectolitres from grape stalks, and 1,800,000 hectolitres from cereals, potatoes, and other tubers, and treacle.

Adulteration of and tampering with wines.

There is perhaps no product, the result of human industry, which is tampered with adulterations and doctored to the same degree as occurs in the production of wine.

Admixture of nauseous ingredients.

Well known is the practice of the admixture of nauseous ingredients used by the less conscientious vintners, such as spirit of rotten potatoes, beetroot, maize, elder berries, logwood, carob juice, capillaire, glycerine, and countless other substances known only to those who use them and the manufacturing chemist; for, prophesies M. Guyot, thanks to the poisons invented by chemistry, wine will be adulterated with spirit of turpentine, pitch, or tar, or with naphtha and spirits of bitumen, until the lake of Gomorrha will have nothing to envy. But I am informed also, on good authority, that even wine merchants of repute do not hesitate to pass off one wine for another—Marsala, for instance, for sherry, by the simple process of putting Marsala into sherry casks, and sometimes by infusing into it a slight dose of port to give tannin and colour. The notorious Hamburg sherries are made up according to that excellent organ of the wine trade, Ridley's Circular, of neutralised acid wine, Elbe water, potato spirit, capillaire, and chemical flavouring matter. According to evidence given before a Committee of the House of Commons in 1852, by Dr. Gormay, no natural sherry ever came to England. It was all mixed or brandied, and I myself received information to the same effect in a visit to Spain some time back; and I was told besides that a combination existed to prevent pure sherry from being exported, and the less matured and imperfectly fermented the wine is, the more spirit is added to preserve it, for added alcohol stops fermentation. It may be too much to assert that now, with the increase of the taste for light wines, no natural sherry is imported, but it is to be apprehended that such is the exception and not the rule. As for port, in a memorable report of Lord Lytton, it was described "as a work of art;" and it is believed that about one-third of the port wine imported in England consists of British brandy exported from England and returned to England, by judicious or injudicious mixture with Portuguese wines, as port wine. In 116 gallons of port of the first quality, it has been given on good authority that there are generally 39 gallons of spirit, with a small admixture of elder berry juice to colour, and 76 gallons of wine.

Preparation of Hamburg sherries.

No natural sherry ever introduced into England from Spain.

Port wine as a work of art.

As 66,000,000 gallons of Sicilian wine (about four times the yearly importation of wine into England) have been annually

exported to France for so many years, no inconsiderable portion must have gone to England under other names, and generally in a doctored state; and as English wine consumers must have been drinking for some years Sicilian wines under other names, it would be well, perhaps, for them to try them in a pure state and under their own names. The wines of the island are so cheap that it is really not worth while to adulterate them, and at present, at least, they are free from adulteration. Wines quite good enough for ordinary table drinking are to be bought at the rate of at least 3*d.* a bottle, or 3*s.* a dozen, and such wines could be imported probably into England and sold at about 6*d.* I do not say that such wines here are fitted for export in their present state, but a very little care could make them so.

English consumers should drink Sicilian wines in a pure state, and under their own names. Price of ordinary good table wine.

The publication of my last report on Sicilian wines, which was noticed in various journals at home and abroad, created quite an effervescence among wine growers and those connected with the wine trade in Sicily, and there was a general rush of candidates into public prints and in other directions for at once realising the profits and for excluding the foreigner from sharing in them. But the great thing lacking among Sicilians for putting their products into the market is the spirit of association. If they have little confidence in the foreigner, they really have next to none among themselves; and, when invited to unite for a common purpose, suspect that the invitation is made to get some advantage prejudicial to their individual interests. There are exceptions to the rule, however, and, among others, I may mention the Duca di Salaparuta, the President of the "Circolo Enofilo," of Palermo, and the proprietor of the "Corvo" wines, who takes a deep interest in the general extension of the wine trade in Sicily, and has expressed his desire to enter into communication with any persons, foreign or native, who might be willing to join in operations for a common good—the introduction of pure Sicilian ordinary wines into England.

Results of publication of wine report.

Sicilian character opposed to companies.

Duca Salaparuta's interest in Sicilian wine trade.

Indeed, I am informed that a society was on the point of being created for the introduction of Sicilian wines into the English market by a mixed English and Sicilian Company; but the English on their side, after expressing their readiness to lay down the capital required for commencing operations in England, have hitherto found it impossible to get the Sicilians to meet them and make any sign of life at all. The idea was to produce an ordinary light table wine in large quantities of a constant type; and this might readily be done if a central depôt, under proper management, were created in Sicily, in which the ordinary country wines should be collected through the medium of itinerant tasters, and raised by proper "coupage" with pure wines up to an even type, and exported to corresponding depôts in the great towns of England, from whence they might be placed in immediate relation with the public. The ordinary country wines, improved under good direction, are quite good enough for this purpose; and on referring to what I have said of the "Vino Navurra," such an ordinary table wine might be easily furnished in England at the price of

Proposed company for introducing Sicilian wines into England.

from 4d. to 5d. per quart. But as an example of the difficulties of introducing a new wine product into the English market (difficulties I made mention in my previous report), I may here mention that a great wine grower informed me that he was asked for the small preliminary fee of 4,000*l.* for placing his wine in a good wine list.

Benefits arising from larger consumption in England of Sicilian wines.

When one thinks of the mass of people in England of the middle and lower middle classes in moderate circumstances who lead sedentary or confined lives, and who are obliged to restrict themselves to the use of indigestible beer or caustic spirits, a movement which would place a pure, cheap, light, vinous product within their reach would be a work of philanthropy and of real sanitary reform, and virtually of a temperance character. Malt liquor can only be continued to be drunk with impunity by the young and active, and those engaged in outdoor pursuits; and spirits, except in extreme cases of debility and old age, under medical advice, might be abstained from altogether. It is certain that there are hundreds of thousands of persons of limited means condemned by their employment to perpetual anemia and dyspepsia, overworked and etiolated shop assistants, male and female, sempstresses, clerks, &c., to whom the habitual or even occasional use of a pure tonic or whet in the form of a cheap, wholesome, light, astringent wine would be a sanitary blessing, and that its acquisition would introduce a fresh comfort into their households, infuse a little of the golden sunshine of the South into their lives, and give them as much "sweetness and light" as a daily jar of honey from Mount Hybla; for most of the tonics and whets prepared by the chemist, after recourse is had to the doctor, contain much the same ingredients as good light wines, only served up in a more nauseous form.

Difference between ordinary and fine wines.

The providing of abundant cheap wines, such as is here in view, is quite a different thing from the providing of anything in the nature of a fine wine, which is an article of luxury, requiring much greater care, caution, and knowledge on the side both of producer and purchaser, and for these the intervention of a respectable wine merchant may be beneficial and advisable for all who are not express connoisseurs; and yet, as we have shown, a pure, good Sicilian wine might be provided on an English table, having many of the qualities of a fine wine, at a cost even less than the cost of malt liquor, but to do this the consumer should order a cask or butt of wine direct from the grower, which proceeding could easily enough be managed if two or three families were to unite together for this purpose; and care should be taken also, at the same time, to have the wine sent directly through shipowners and railway companies, and not by agents, and so the heavy taxes levied by vintners and carrying agents would be avoided, together with the risk of having the wine tampered with.

Cheap and direct means of acquiring Sicilian wines.

Sicilian wine growers sell direct.

This latter idea is that on which the sale of the Duchy of Bronte wine is to be conducted. The Zucco of the Duc d'Aumale may be similarly obtained through Mr. Buchan, at

Palermo, as may also the wines of the Duca di Salaparuta, of the Principe di Valdina, at Palermo, and of the Marchese Curtopassi, at Bisceglie, and those of most of the leading wine-growers in Sicily.

If the wine is received at home in cask it need not be said that it is indispensable that it should be properly bottled, all necessary directions for which will be found in Dr. Druitt's excellent and amusing work, and in other well-known treatises. The bottles, too, after bottling, should be kept carefully laid down. If this precaution is not observed no fault can be found in any wine if it turns sour.

Immense quantity of Sicilian wine not availed of by Englishmen.

At present, as was mentioned in my last report, the immense quantity of more than 100,000,000 gallons of this commodity is yearly produced in Sicily, with little or no benefit to the English public, who have hitherto only known it in an adulterated form—a commodity which may be regarded not only as a wholesome article of food, but as a mainstay of health and a restorative for overworked or weak constitutions.

Wine exhibition at Palermo.

In my last report I mentioned that a wine exhibition, or "Fiera enologica," had been held at Palermo. The prizes were awarded some time back, but the distribution of the rewards has just taken place, and the list of honours include most of the first wine growers in Sicily.

Awards thereat.

The gold medal offered by the Minister of Agriculture for ordinary table wines was given to the Commendatore, Mesto Leggio, while the gold medal offered by the Chamber of Commerce for fine table wines was given to the Principe di Valdina, for his "Calatubo" mentioned above. A silver medal for the same kind of wines was accorded to the Marchese di Policastrello for his "Mezzoiuso." For dessert wines, Messrs. Ingham and Whitaker received a diploma of honour for their Marsala "Marca Naturale," as also did Messrs. Woodhouse and Messrs. Ali and Bordonaro. Signor Favara Verderame received honorary distinctions for his "Irene" and champagne, as also did the Barone Spitaleri for his "Etna Rosso" and his champagne.

The Duca di Salaparuta, who was "fuori concorso" and President of the "Circolo Enofilo Sicilano," could receive no more than an honorary notice.

Catania.

Extract from Mr. Vice-Consul Franck's Report.

Vintage.

The gathering of the grapes this year begun in the last days of September, and great activity prevailed in all the regions where extensive vineyards are cultivated in this district.

Yield.

This year's vintage has been an abundant one, especially in the low land of Catania, and in some localities the production has surpassed by double the quantity yielded last year.

Such, however, cannot be said to be the case in the hills, where the product varies from 80 to 90 per cent. of the usual average ou put.

Damage done by rain.

In the first fortnight of September several rainfalls took place, which not only disturbed the operations of the vintage, but even partly injured the ungathered fruit.

The weather became suddenly cooler, and the musts from the "Palmenti," or pressing-houses, in course of extraction were removed after 24 hours in a semi-cold state, without having undergone any sort of transformation. In preceding years must, after 24 hours' stay with the dregs in the vats, were removed in a boiling state, and to some extent transformed. If this circumstance will prove advantageous or no has yet to be ascertained, and investigations on the subject have been commenced.

Phylloxera.

The progress of *Phylloxera* in Sicily, and the successful issue of the methods adopted by Government to stamp it out, have induced wine growers in this district to avail themselves of the facilities granted by the Government to protect their vines.

Numerous applications have been made for the autumnal cure of vines by the use of sulpho-carbon, and the Ministry of Agriculture has decided to appoint four Boards of Directors in Sicily for the application of this vine cure, and their report on the results obtained by their methods will be published in due time. But, as already mentioned, notwithstanding the difficulties presented by the permanent existence of *Phylloxera*, the vinicultural industry in the district of Catania has decidedly proved abundant and satisfactory this vintage.

Experimental depôt at Riposto.

To a further desire on the part of the Government to promote the wine trade is due the establishment of a "Cantina Sperimentale" at Riposto, or large wine store, where the different types produced in the district are prepared and finished for experimental purposes. The Commission on Viniculture met on September 10, and the following programme of experiments was agreed on :—

Its objects.

1. To study the musts and wines produced in different vineyards in the district, among which are the "Nerello Mascalese," "Il Mantonica," "Il Nocera," "Il Caricante," "Il Cataratto," "Il Venaccia," and other wines, by taking them either separately or together, in given proportions, with the object of specifying the name of the wine and that of the vineyard, the special character of the plant and fruit, the nature of the soil, the origin of the plant, the district, the proprietor, the date of gathering, the length of fermentation, the weather prevailing at the time of harvest, a comparison between different grape bunches, and, lastly, the chemical analysis of the must and the wine.

2. Experiments and studies regarding rational vinification and that used generally in the district, so that in future errors and old usages may be avoided or modified.

(*a*) Comparisons between the trampling of the grapes by feet shod with hobnailed shoes (the custom in the district) and that with shoes of soft leather or straw or bare feet, with the crushing of grapes by the aid of machinery.

(*b*) Comparisons between fermentation with the entire stalks attached to the grapes with those having some or no stalks.

(*c*) Comparisons between fermentation with dry wine dregs and that with damp wine dregs.

3. Influence of the density and acidity of musts on the fermentation of wines.

4. Increase of acidity in musts.

5. To study the means to diminish the high temperature that is reached by the must during fermentation.

6. To study the mixing of lime, and to make experiments on the use of substitutes, such as "fosfato tricalcio," tartaric acid, &c.

Area covered by vineyards.

The foregoing experiments, as far as possible, will be carried out this season at the experimental depôt at Riposto, and advantages are expected therefrom.

The surface of soil occupied by vineyards in this district is reckoned at 45,000 hectares, according to official returns, but it is known that the real area exceeds 50,000 hectares, or 123,500 acres.

Wine growers.

The principal wine growers in this district are: At Catania, Barone Spitaleri, Gia. Papale, Marchese Casalotto, Gio. Mancuso, R. Trewhella, Comm. Caudullo, Principe Cerami, Barone Cerami, Barone Cantrella, Flli. de Cristoforo, Barone Mannino, Cav. G. Bertuccio Scammacca.

At Acireale: Barone Pennisi, Ros. Platania, P. Cali Fiorini, Vigo Gravina.

At Viagrande: Vin Barbagallo, F. Scuderi, Platania, Pasquale Platania.

At Trecastagne: Alfio Manastra, Vito Zappalà, Franc. Manastra, Dr. S. Nicolosi, Gius. Nicolosi, Salv. Cali, Franc. D. Torrisi, Mich. Torrisi, Salv. Lanzafano, B. Grassi.

At Riposto: S. De Salvo and fi., P. Indelicato Calatabiano, Comm. R. Cali, Cali e frat.

At Bronte: Lord Bridport (Duke of Bronte).

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1890.

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No. 173.

Reference to previous Report, Miscellaneous Series No. 134.

ITALY.

FLORENCE.

Consul-General Sir D. E. Colnaghi to the Marquis of Salisbury.

My Lord, *Florence, May* 28, 1890.

I HAVE the honour to transmit to your Lordship, herewith enclosed, a Report on the Yield of Cocoons in the Kingdom of Italy for the year 1889.

I have, &c.
(Signed) D. E. COLNAGHI.

Report on the Yield of Cocoons in Italy in 1889.

The following table I. shows the approximative yield of cocoons in the several regions contained within this Consular district, compared with the total yield for the whole of Italy. It is compiled, as usual, from statistics published by the Ministry of Agriculture, Industry, and Commerce at Rome.*

* Ministero di Agricoltura, Industria e Commercio; Direzione Generale dell' Agricoltura. Bollettino di Notizie Agrarie. Anno XII., N. III., Aprile, 1890.

Table I

Region.	Approximative Number of Ounces (of 27 grammes) of Grain Cultivated.					Total Quantity of Cocoons obtained from the Grain Cultivated, in Kilogrammes.					
	Pure Breeds, Yellow and White.—Italy, France, Portugal.	Cross Breeds, White and Yellow.	Japanese and Chinese Breeds, reproduced in Italy, with the respective Cross Breeds.	Japanese imported Cards.	Total.	Pure Breeds, Yellow and White.—Italy, France, Portugal.	Cross Breeds, White and Yellow.	Japanese and Chinese Breeds, reproduced in Italy, with the respective Cross Breeds.	Japanese imported Cards.	Total.	Average of 10 years (1880–89).
Piedmont	151,106	36,048	43,195	12,196	242,545	2,849,863	692,235	880,587	204,834	4,627,519	5,846 602
Lombardy	203,114	179,572	72,089	7,552	462,327	5,214,156	5,180,799	1,953,154	211,909	12,560,018	15,877,205
Venetia	106,917	100,973	87,227	4,989	300,106	2,976,537	2,990,091	1,993,906	123,230	8,083,764	8,329,306
Emilia	54,660	14,776	878	396	70,710	1,915,822	492,237	25,793	5,521	2,437,373	2,532.548
Marche, part of the .	19,273	2,448	233	..	21,954	941,618	122,788	11,465	..	1,075,871	1,001,696
Tuscany, part of ..	32,342	3,915	98	12	36,367	1,383,874	166,284	2,983	360	1,553,501	1,455,934
Consular District ..	567,412	337,732	203,720	25,145	1,134,009	15,281,870	9,644,434	4,867,888	543,854	30,338,046	35,043,291
Remainder of Kingdom	90,145	15,571	9,846	4,110	119,672	3,096,444	515,083	255,870	26,848	3,994,245	3,558,427
Grand total for Italy	657,557	353,303	213,566	29,255	1,253,681	18,378,314	10,159,517	5,123,758	670,702	34,332,291	38,601,718

It results from the above table that the yield of cocoons in Italy, in 1889, was less than the average of the last ten years by 4,705,245 kilos. as regards this Consular district, or by 4,269,427 kilos. if the total yield is taken into consideration. The decrease was most marked in Piedmont and Lombardy, being about 20 per cent. in the first and 21 per cent. below the average in the second region. In Tuscany the yield was slightly above the average. The diminution of the yield is attributed both to the smaller amount of grain cultivated in 1889 (135,960 ounces less than the average of the last ten years), and to the unfavourable weather in Northern Italy, when the worms had reached their last stage, which caused the appearance of the diseases known as flaccidezza (flâcherie) and calcino (muscardine). In Tuscany the worms were generally healthy.

Prices of grain.

The grain was sold by the breeders to the cultivators of silk in 1889 at the following prices per card or ounce of 30 grammes :—

			Lire	c.		Lire	c.
Japanese, imported green and white	..	per card	8	0	to	10	0
Idem, reproduced in Italy (commercial)	..	per ounce	5	0		6	0
White .. .. .. „	..	„	5	50		6	50
Pure native yellow .. „	..	„	4	0		5	0
White and yellow cross breeds „	..	„	5	0		6	0
Selected cellular grain of all kinds	..	„	11	0		13	0

Gross product of grain.

The gross product in cocoons per ounce of grain (here calculated at 27 grammes) was 27·39 kilos., slightly inferior to the average of the last ten years (27·78 kilos.), and less by 5·38 kilos. than the product of 1888, a result due to the prevalence of "calcino," which made the cocoons lighter than the average. Their yield in silk, however, in proportion to the gross weight appears to have been higher than in previous years.

Values of yield.

From the sales of cocoons effected on the principal markets of the kingdom, and which amounted to 11,063,800 kilos., or about one-third of the total yield—the balance of two-thirds being disposed of by private contract—the average price of the cocoons resulted in 3·766 lire per kilogramme. Taking this rate as an approximative basis for estimating the value of the whole yield, this may be roughly stated at 129,295,497 lire (5,171,820*l.*).

Quality of cocoons.

The quality of the cocoons, though varying greatly from zone to zone, was, on the whole, unsatisfactory, and in North Italy the percentage of damaged cocoons (scarti) was very large.

New silk.

The new silk was slightly inferior in quality to that of the previous yield both as regards strength and elasticity, softness, duvet, and uniformity of colour.

Yield in silk of cocoons

The yield in silk of the cocoons at the mills is noted, by the Chevalier Primo Fossati in an interesting report on the silk culture in the province of Milan and in Italy for 1889,* as under:—

* Rassegna Statistica Baco-Sericola della Provincia di Milano e d' Italia del 1889, dal Cavaliere Primo Fossati. Anno XI., Milano, 1890.

	Cocoons required to produce 1 kilo. of raw silk.
Japanese, imported, green	14·00
Idem, reproduced in Italy	12·75
Native yellow and white and yellow cross breeds ..	11·75
Average	12·17

Production of raw silk.

The estimated quantity of raw silk produced in Italy during the ten years 1880–89 is noted below :—

Yield of cocoons in Kilogrammes.	Years.	Kilogrammes of cocoons required to produce 1 kilo. of silk.	Silk produced in kilogrammes.
41,573,189	1880	14·60	2,847,478
39,364,091	1881	12·96	3,052,784
31,869,076	1882	12·33	2,584,677
41,625,299	1883	12·58	3,308,847
36,464,663	1884	12·71	2,868,974
32,266,017	1885	11·82	2,729,781
41,397,323	1886	12·12	3,413,299
43,625,703	1887	11·72	3,756,466
43,899,443	1888	11·32	3,878,042
34,332,291	1889	12·17	2,821,059

Cultivation of mulberry trees.

Signor Fossati has some interesting remarks on the necessity of paying greater attention to the cultivation of the mulberry trees if the silk husbandry is to be profitably carried on in North Italy, which I hope to notice on a future occasion.

Milan silk trade, 1889.

The following notices of the Milan silk trade during 1889 are taken from the report of the Chevalier Primo Fossati, to which I have made previous reference.

The type of silk selected for reference of price are the classic raw silks (10/12), to which all the figures relate. The year opened with the same rates which had ruled in the latter part of December, 1888, 48 lire per kilogramme., and which had been attained by the operations of the Anglo-French Syndicate. In the course of January, however, various oscillations of price occurred, and the month closed with raw silks at 45 lire to 47 lire. During February, owing to large speculative purchases, both in silk and dry cocoons, prices again rose to the higher rates quoted in December, but they fell again at the end of the month, to 45 lire. In March and April there was a further fall to 43 lire, though better rates (46 lire) were obtained for some special qualities (10/11). Business, however, was quiet, as holders waited for a rise which they thought would be provoked by the Anglo-French Syndicate, with a view of advantageously disposing of their important stock—a prevision which was not realised. At the end of April prices had only risen 50 c., the prices quoted being 43 lire 50 c.

May opened with an increased demand on the part of buyers, while holders remained firm. The high rates asked for cocoons determined the current in favour of the latter; at the end of the

month raw silk had reached 44 lire, with the prospect of a further rise.

During the course of this month, important contracts were entered into for cocoons of the new crop. Rates varied, for pure yellow cocoons, from 3 lire 86 c. to 4 lire (fixed price), or from 3 lire 60 c. to 3 lire 75 c., with premiums of 50 c. to 60 c. above the average rates subsequently to be established by the sales on the public markets; for white and yellow crossed cocoons, from 3 lire 60 c. to 3 lire 70 c. (fixed), or from 3 lire 40 c. to 3 lire 50 c. with premiums of 20 c. to 30 c. as above.

In the beginning of June the reports of the new crop being generally good, and favourable news of the yield being received from China and Japan, business was limited to immediate wants. Towards the middle of the month, however, positive reports of the partial failure of the crop in some provinces of France and Italy caused rates to rise, and raw silks were quoted at 46 lire, the month ending with a rise to 48 lire. This price, however, was not sufficient to remunerate spinners, owing to the high rates paid for cocoons. Business became difficult in July, and prices rose to 50 lire, spinners holding firm. August was also a month of contrasted interests, the Anglo-French Syndicate taking advantage of the opportunity to realise the balance of their stock. Prices oscillated from 50 lire to 49 lire. September opened with a slight rise to 52 lire, a price which hardly equalled the cost of the new silk.

October commenced under better auspices, the market improved, and spinners were encouraged to demand a further rise. Transactions were active, and prices rose to 56 lire, with a prospect of a further increase. Dry yellow cocoons were in demand, and paid for at from 13 lire 50 c. to 13 lire 75 c. per kilo., with the condition that 4 kilos. of dried cocoons should yield 1 kilo. of raw silk. In November less business was done, raw silk fell to 55 lire, and dry yellow cocoons to 13 lire 25 c

December opened more favourably, manufacturers being obliged to make purchases, and there was a demand for raw silks from America. The month closed with rates at 57 lire 50 c., and dry yellow cocoons at 13 lire 75 c.

The year 1889, therefore, ended in good general conditions as regards the silk trade, and with prices which left spinners some margin of profit on the price of the new cocoons. "This position of affairs," Signor Fossati adds, "was reached by a slow but progressive improvement during the last six months, which is likely to prove the more durable as it was a consequence of genuine business, and not obtained by speculation through which it is impossible to hope for any lasting improvement."

Weights and Value.

1 kilogramme	=	2·204 lbs. avoirdupois.
1 gramme	=	15·4340 grains (English).
25 Italian lire	=	1*l.* sterling.
100 centimes	=	1 Italian lire.

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REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

MEXICO.

NOTES ON

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No. 149.

MEXICO.

Notes by Sir Francis Denys on Chartered Banks in Mexico.

Señor Dublan, the Minister of Finance, has lately granted a number of charters for the establishment of banks in various towns of the Republic—a policy which meets with general approbation, and is likely to produce good results, as, hitherto, banking business in Mexico has been confined mainly to two banks and their branches, viz., the Bank of London and Mexico, which was established in 1864, by the registration of its by-laws previous to the existence of any banking laws in the Republic; and the Banco Nacional Mexicano, which received its charter in 1881, and became the Banco Nacional de Mexico through an amended Charter in 1884. Policy and object.

The head offices of both these banks are in the capital.

A third bank will shortly commence business in the city of Mexico, with a strong local and American directorate, called the International and Mortgage Bank of Mexico. International and mortgage bank.

This bank is empowered to acquire the assets, subject to the liabilities, of the Banco Hipotecario Mexicano, under an agreement dated September 4th, 1888, and will be conducted under the concession granted to that institution, dated April 24, 1882, and an amended concession, dated August 31, 1888. Its functions

The capital is to be 5,000,000 dol. Capital.

The bank has power to carry on all the usual banking operations, and, amongst other privileges, it is authorised to issue certificates of deposit for silver or gold, coined or in bars, to bearer or to order, payable on demand, in Mexican dollars, or by weight in ounces, in the Republic of Mexico or abroad.

This latter privilege is an important one in a silver-producing country like Mexico, and it is expected that these certificates will enter into circulation, and thus save the transmission and re-transmission of actual bullion.

These certificates will be redeemable at the office of the bank, and at specified points abroad.

Negotiations are at present pending for the transfer of the banking privileges of the National Monte de Piedad to a German syndicate.

Banco Yucateco.

The charters which Señor Dublan has recently granted are:—A charter to Señor Nicanor Ancona to found a bank of issue, discount, deposit, and circulation in Merida, under the designation of the Banco Yucateco: the capital to be not less than 500,000 dol., and is stated to have been already subscribed in Yucatan.

Its powers, &c.

The bank will have power, under certain conditions, to issue notes, the amount of which, in circulation, is never to exceed one-third of the bullion or coin in reserve, exclusive of the sums on deposit, and to found branches in the States of Yucatan, Campeche, and Tobasco.

The charter besides contains a stipulation as to the formation of a reserve fund, and a statement of the immunities accorded to the bank by the Government.

Banco Mercantil de Yucatan.

A charter for a second bank in Merida of the same description has also been granted to Señor Eulogio Duarte, to be styled the Banco Mercantil de Yucatan.

A similar charter to that of the Banco Yucateco has likewies been granted for a bank at Hermosillo, in Sonora, the concessionaire being Señor Ricardo Uruchurtu. The capital is to be not less than 500,000 dol., and power is granted to establish branches and agencies in Sonora, Sinaloa, and Lower California.

Señor Dublan has also issued charters for the establishment of agricultural, industrial, and mining banks at the following places:—

San Luis Potosi.

San Luis Potosi: capital, 500,000 dol.; concessionaire, Señor Manuel Saavedra; branches and agencies in the States of San Luis, Coahuila, and Nueva Leon. Guadalajara: capital, 500,000 dol.; concessionaires, Señor Luis Gutierrez Otero and Señor Luis Moreno; branches and agencies in the States of Yalisco, Aguas Calientes, Michoacan, Colima, and the territory of Tepic.

Guanajuato.

Guanajuato: capital, 500,000 dol.; concessionaires, Señor N. Zernieño and Angel M. Lazo; branches and agencies, States of Guanajuato, Zacatecas, San Luis Potosi, and Queretaro.

Zacatecas.

Zacatecas: capital, 500,000 dol.; concessionaire, Señor Francisco Aspe; branches and agencies in the States of Zacatecas and Tamanlipas.

Puebla.

Puebla: concessionaire, Señor Thomas Inglesias; the bank to be located in Mexico city under the title of the Banco Agricola y Industrial de Mexico, with privileges to establish branches and agencies anywhere, either within or without the limits of the Republic.

Merida.

Merida: capital, 500,000 dol.; concessionaire, Señor Faustino Martinez; branches and agencies in the States of Yucatan and Campeche.

Orizaba.

Orizaba: capital, 100,000*l.* sterling; concessionaire, Mr. George Wilson; title, the Bank of Vera Cruz, Limited; branches and agencies, Vera Cruz, Oaxaca, Chiapas, and Tabusco.

These banks, whose respective charters are very similar in form, will have power, among other privileges, to advance loans under mortgage to agriculturists and mining corporations; to

make advances on agricultural, industrial, and mining products entrusted to them to sell on commission; to open current accounts and receive deposits; to advance money, under guarantees approved by the administration, for the purchase abroad or at home of machinery for industrial or mining purposes, and for the clearing and improving of lands.

Effect of new banks.

The new departure of the Government in granting these concessions has not only stimulated business transactions of all descriptions, but in conjunction with the increased feeling of confidence investments, and in the enhanced ready marketable value of many Mexican securities which never had much value before, it has affected to a certain extent the rate of interest (upwards of 8 per cent.), at which money used to be borrowed in the capital—a loan, it is stated, having recently been made by one of the banks at 5 per cent.

It is probable that the Government, seeing the beneficial results of their policy, will further encourage and authorise the establishment of other banks wherever needed.

These different banks will be of great service locally in extending to commerce in remote districts of the Republic the hitherto unknown advantages to be obtained from banking facilities within easy reach; and they are likely to increase, besides, the business of the large banks of the capital, while the fact of their establishment is a further proof of the confidence of the country in the stability of the present Government.

(Signed) FRANCIS DENYS.

Mexico, September 27, 1889.

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1890.

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THE PORT OF VERA CRUZ AND THE WORKS IN PROGRESS FOR ITS IMPROVEMENT.

REFERENCE TO PREVIOUS REPORT, Annual Series No. 146 (pp. 2, 16, 17).

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No. 153.

Reference to previous Report, Annual Series No. 146 (*pp.* 2, 16, 17).

MEXICO.

VERA CRUZ.

Consul Baker to the Marquis of Salisbury.

My Lord, *Vera Cruz, October* 29, 1889.

INASMUCH as Anglo-Mexican trade has begun to assume very considerable proportions, and as 60 per cent. of that trade passes through the port of Vera Cruz, the condition and prospects of that port are necessarily of interest to British shipping and commercial circles, and I have therefore prepared a Report on the Port and the Works now in progress for its improvement, which I have the honour to transmit herewith.

In the preparation of this report I have had the advantage of valuable assistance of Mr. Vicente Vila, director-general of the works, and of Mr. Ignacio Guzmán, late engineer-in-chief, who have furnished me with valuable information, and personally conducted me over the works in progress, as well on land as in water; and my grateful acknowledgments are due to both these gentlemen.

I have, &c.
(Signed) A. BAKER.

Report on the Port of Vera Cruz and the Works in Progress for its Improvement.

The port of Vera Cruz is not a harbour, in the strict sense of the term; it is simply a channel formed between the mainland and an island, or reef of coral, known as La Gallega, whose nearest point is 1,100 yards from the mainland. This will be best understood from the annexed plan, which has been prepared to illustrate this report. The port of Vera Cruz

The Gallega island or reef is $1\frac{3}{4}$ miles long from north to south, and from east to west its maximum breadth is about one mile. On its south-west coast, and immediately opposite the custom-house, stands the Castle of St. Juan de Ulúa, on the erection of which successive viceroys expended fabulous sums. Gallega Island.

At the back of the Gallega, and separated from it by only 200 yards, lies the reef La Galleguilla, at a distance of two miles from La Galleguilla reef.

the mainland. This reef is only 1,000 yards long from north to south, and 600 yards broad from east to west.

La Blanquilla reef.

East of the Galleguilla, and separated from it by a channel a mile wide, lies the reef La Blanquilla, 1,200 yards long by 800 yards wide, at a distance of three miles from the mainland.

Port is exposed to the northers that blow 90 days per annum.

The mainland coast at Vera Cruz runs in a fairly straight line north-west to south-east, thus presenting itself at an angle of 45° to the fury of the Northers, which, for about 90 days in their annual season, blow with a force varying from a fresh gale to a whole gale, and occasionally a hurricane, which lashes the shore with breakers of immense height and volume. As will be seen from the annexed map, the only protection the port has from the Northers is the lee of the reef Gallega; but as that reef lies with its length north and south, it is only its breadth—one mile—that forms any shelter to the port, and that only to the eastern side and eastern mouth of the channel; and, to make matters worse, that mouth is partially choked by two little reefs, La Lavendera, 300 yards long, and Los Hornos, 1,200 yards long. The eastern mouth is thus double, being half a mile between the Gallega and the Lavendera, where the water is deep, and 500 yards between the Lavendera and the Hornos, where the water is shallow. The channel between Los Hornos and the mainland is too narrow and shallow to be taken into account.

Eastern entrance partially choked by reefs.

Depth of channel.

As has been already stated, the channel between the mainland and the Gallega is 1,100 yards wide at its narrowest point, but along the mainland shore the water is shallow for a width of over a quarter of a mile, the deep channel—25 to 36 feet deep—lying on the Gallega side of the broad channel, so that all loading and discharging has to be done by lighters; operations that can only be made when the wind is still, for a very moderate wind blowing over a channel three-quarters of a mile wide raises waves large enough to damage goods loading or unloading into or out of lighters. In a Norther all communication between the ships and the shore becomes impossible.

Drains.

The town of Vera Cruz drains at many points into the channel, but the currents are so strong that the sewage matter is soon carried away and diluted with immense volumes of water, and is supposed to be rendered by that means innocuous to the public health.

Anton Lizardo a possible rival to Vera Cruz.

It may be here remarked that 15 miles south-east of Vera Cruz there is a good natural harbour, formed by a line of reefs, about four miles long, running east and west at about a mile distant from the point Anton Lizardo, on the mainland, thus forming a channel a mile wide by four miles long, entirely sheltered from the Northers. This channel is said to be three fathoms deep close to the shore, and very deep at no great distance from it; and the merchants and landlords of Vera Cruz have several times been startled by rumours that Anton Lizardo was to be put into railway communication with the Mexican Railway, and erected into a legal port of import and export. Should these rumours ever be realised, Anton Lizardo would almost at once monopolise the through traffic of the port of Vera Cruz—*i.e.*,

nearly 75 per cent. of it—and Anton Lizardo would be built an important city with the ruins of Vera Cruz. The merchants of the old city would eventually migrate to the new, so that their losses would be temporary; but the owners of house property in Vera Cruz would in a few years find themselves in possession of dwellings without dwellers, or, at best, with dwellers at nominal rents, so that their ruin would be complete and permanent. It can therefore be easily understood with what misgivings the owners of houses and warehouses in Vera Cruz hear the periodically recurring rumours of a port being established at Anton Lizardo.

Schemes for improving the port.

In the month of December, 1880, the "ayuntamiento" (corporation) of the city of Vera Cruz began to study the question of improving the port without prejudicing the health of the city, and they instructed their surveyor, Mr. Pedro Senties, to prepare a scheme. About the same time the chief of the Marine Department of the Gulf of Mexico, Mr. Angel Ortiz Monasterio, conceived the idea of excavating docks, 30 feet deep, for from 200 to 900 ships (not on the mainland, but on the reef Gallega), with which he proposed to establish communication by means of a railway, whose embankment should divide the port into two. Part of Mr. Monasterio's scheme was to connect the three reefs, Gallega, Galleguilla, and Blanquilla, so as to form an enormous harbour of refuge on the leeward side of those reefs. The breakwaters were to be formed of the debris of reef excavated from the docks, a material obviously too weak to resist the heavy seas of this coast.

Monasterio's proposed docks on the island reef Gallega.

Mr. Monasterio's scheme attracted a good deal of attention, but it was evidently more the scheme of a patriotic amateur than of a practical engineer, and it failed to obtain adoption by the corporation, to whom he submitted it with plans and specifications on the 18th February, 1881. But in the same year Captain Eads, of New Orleans, arrived on the scene, and after studying the soundings in the channel prepared a scheme for improving the port by closing entirely the north channel by means of a breakwater between the mainland and the Gallega, and by partially closing the eastern channel by means of a breakwater between the Grllega and the Lavendera, leaving but one entrance, viz., that between the Lavendera and the Hornos, which being shallow was to be dredged. The immense area between these two breakwaters —$1\frac{1}{4}$ miles by $\frac{3}{4}$ of a mile—was to be dredged to a minimum depth of 25 feet, and was to be unbroken by jetties, and thus exposed to the wave-producing action of the wind. The works were to be executed in wood and natural stone; the former clamped together and the latter set in Portland cement.

Captain Eads's scheme—piles and natural stone.

Captain Eads's scheme was adopted by the corporation, and an attempt was made to carry it out; but the sea of Vera Cruz proved too strong for the materials intended to resist it, and they were carried away by the first Northers they were exposed to, and it became evident that the works would have to be executed in

some such substantial manner as those of the Suez Canal at Port Said. After eight months of continuous work a total of 40 yards of pier was the only visible result.

Thiers's scheme (concrete blocks).

About this time Mr. Edward Thiers, a French engineer, who represented the house of Buette, Caze, and Co., of Paris, came to Vera Cruz from Tampico, where he had been examining the bar with a view of obtaining a contract to canalise it, and he at once perceived the inadequacy of the means adopted by Eads's company to carry out the works, and also the shortcomings of Eads's scheme, in so far as it left the whole area of the port open, whilst it closed the eastern entrance between the Gallega and the Lavendera, and also its economic error of dredging unnecessarily the whole of the shallow channel on the mainland side. Mr. Thiers proceeded to Mexico, and on January 1, 1883, he published a detailed *projet*, in which he severely criticised Eads's plan, and the works intended to carry it out, and at the same time advocated a plan of his own, the principal features of which were (*a*) to close the north passage by a breakwater, but to allow the sea to wash over the west side of the Gallega, so as to renew the water in the port (Eads had provided sluices only); (*b*) to break the large area of the port and, at the same time, increase its accommodation by constructing two long T piers from the mainland to the deep channel, and at such distances apart as to divide the port into three large docks, and an *avant-port;* (*c*) to preserve the two eastern entrances instead of only the shallow one; (*d*) to construct the works not with wood and natural stone, as proposed by Eads, but with concrete blocks of pure Theil lime and sand "without employing either pebbles or gravel."

Thiers obtains the contract for a French company.

Mr. Thiers followed up his printed *projet* with negotiations with the Federal Government and with the corporation of Vera Cruz, with the result that, in April of the same year (1883), he secured for his principals, Buette, Caze, and Co., a contract for the port works, the principal provisions of which were:—

(*a*) Works: principal breakwater with jetty projecting into the harbour, two long T piers projecting from the mainland into the harbour, second breakwater projecting from south-eastern shore of the Gallega, 860 yards in an east-south-east direction, so as to protect the entrance north of the Lavendera.

(*b*) Price 10,047,000 dol. (about 1,700,000*l.*), payable 60,000 dol. per week from the customs duties, balance in Government 6 per cent. bonds redeemable in 12 years.

(*c*) Term for completion—as to principal breakwater five years, as to remainder 12 years.

Thiers's contract forfeited.

Having thus obtained their contract, Mr. Thiers's company proceeded without undue delay to carry it out, and erected and provided the mills, workshops, railways, locomotives, rolling-stock and plant, which form the great bulk of the present installations. But all this proved inadequate to the due prosecution of the works, and after building in three and a half years 350 yards of the shore-end of the principal breakwater, they had, about the end of 1886,

the mortification of forfeiting the contract, thus leaving all the difficult—*i.e.*, all the deep water—work to their successors.

The works remained entirely suspended for 18 months, and as pointed out in my commercial report for 1886 (F.O. Annual Series, 1887, No. 146) the contract was in the market. But on April 20, 1887 (exactly four years after the signing of Mr. Thiers's contract), the Federal Government concluded a new contract with Mr. Agustin Cerdán, not for all the works comprised in Mr. Thiers's contract, but for the principal breakwater only. Present contract concluded with Mr. A. Cerdán.

The breakwater from the point where the French Company completed it to the point where it will reach the Gallega is 1,045 metres long, and it is to be 30 metres wide. As to the depth of the foundations below the water, it was calculated at an average of 10 metres, but it will be several metres more owing to the fact that at the time of signing the contract the sandy bottom was considered sufficient to carry the concrete blocks intended to form the foundations, whilst that afterwards proved to be an error. The solid bottom of the channel between the reefs consists of clay, and on the top of the clay lies an unequal bed of sand, shallow in the deep channel and deep in the shallow channel; the inequality being caused by the action of the seas brought in by the northers. The consequence has been that on proceeding to construct the breakwater it has been found that the blocks thrown in instead of resting, as was anticipated, on the sand bed, find their way through it to the clay. If the sea had been invariably calm this, of course, could not have happened, but the seas raised by the Northers are sufficiently strong to move the sand forming the bed of the blocks, and by that means they sink down to the hard bottom of clay. The number of blocks of 14 cubic metres estimated by Mr. Thiers for the construction of the work was 17,000, but the sinking just alluded to induced Mr. Guzman, the late engineer-director of the port works, to increase the estimate by 5,000 blocks, and this latter is no doubt the minimum.

The breakwater is to be constructed according to the original design of Mr. Thiers. A cross section of it at the line A B on the plan is appended to the plan. As will be seen, the breakwater is to consist of two walls (the exterior A and the interior B), filled in with a certain amount of rubble (against the exterior wall to keep the water out) and the bulk with sand. Cross section.

The exterior wall, which is now in course of construction, was, according to the contract, to be built as follows:— Exterior wall of breakwater.

The foundation to be composed of concrete blocks of 14 cubic metres—*i.e.*, about 28 tons weight—thrown in irregularly in such a manner as to form a slope of 1 in 1 on the outside and 1 in 2 on the inside; the top of the foundation to measure 6 metres in breadth to receive the wall, which is to be composed of three courses of blocks, the first course 5 metres thick by 1·50 high, the second course 4 by 1·75, and the third course 3·40 by 1·50; the three courses to run with their central lines vertical to each other, forming steps on each side of the wall.

The interior wall, which the present contractor has not yet Interior wall.

commenced (the intention being to build it under the lee of the exterior wall), is, according to the contract, to be constructed as follows, viz., by means of courses of artificial blocks, the first course to be 6 metres broad by 1·50 metres high, and the remaining courses to be 4 metres broad by 1·50 high, with a coping of blocks 2 metres broad by 1·50 high. And here, it may be remarked, that owing to the nature of the bottom the design for this wall may have to be modified and assimilated somewhat to the exterior wall, in which case the quantity of material will be augmented, though the quantity of skilled labour will be reduced.

Rubble and sand filling.

On the interior slope of the exterior wall is to be placed a coat of rubble (see cross section) in order to prevent the sea's washing away the sand, which is to form the bulk of the filling between the two main walls of the breakwater; and this filling is to extend 2 metres above the mean sea level. The total quantity of filling to be executed will be from 200,000 to 300,000 cubic metres.

The minimum size of the concrete blocks, according to the contract, is 14 cubic metres, but this minimum has, as will be seen, had to be reduced on account of the smallness of the floorless chamber of the travelling crane, and of the floorless chamber of the flat-bottomed boats that carry the blocks from the place of their construction to the embarking dock, and thence to the line of breakwater for immersion.

New contractor has free use of old contractor's plant.

The contractor (Mr. Cerdán) has the use of the French Company's plant gratis; but, on the other hand, all new plant brought on the ground by him becomes the property of the Government, a stipulation which is, of course, a great temptation to starving the work of plant.

Price 4,500,000 dol.

The price is 4,500,000 dol. (675,000*l.*), payable 5,000 dol. per week, from the custom-house, and the balance "as and when" in Government 6 per cent. bonds at 90 per cent. of their nominal value. It is a condition of the contract that the whole price be earned in five years—*i.e.*, 500,000 the first year, and 1,000,000 a year afterwards. This price is liberal, as one sees from the schedule of prices for regulating the half-yearly payments, in cash and bonds, where blocks submerged without any attempt at arranging the courses, beyond dropping them in one on the top of the other, figure at 12 dol. 38 c. (37*s.*) per cubic metre, and blocks laid in courses at 18 dol. 38 c. (55*s.*) per cubic metre, these prices being plus the following percentages:—Supervision, 6 per cent.; contingencies, 10 per cent.; and profit 14 per cent. - together 30 per cent. The bonds are redeemable by half-yearly drawings, extending over 20 years, and are cheap at 90 per cent., as the Government 6 per cent. loan now stands at 96¾ per cent. This, of course, increases the value of the contract, as it was at the date it was concluded (April, 1887). But even then it was a valuable one, and it is to be regretted that British capitalists and contractors did not avail themselves of the intimation contained in my Commercial Report for 1886 that the contract was then in the market, though possibly they would not have succeeded in

obtaining terms quite so favourable as those conceded to Mr. Cerdán, who is a Mexican and *Veracruzano*, and known personally to the authorities, as well federal as local, whose entire confidence in his ability and zeal was no doubt a matter in his favour when the price was settled. On the other hand, the oversight above alluded to as to the nature of the sea bottom discounts considerably the profit on the contract.

Premium of 4 per cent. if works completed in 40 months.

In addition to the fixed price, the contractor is entitled to a premium of 4 per cent. on the estimates in case he completes the works within 40 months from the date fixed for their commencement (*i.e.*, three months from the promulgation of the contract, which was promulgated on May 14, 1887), though the progress of the works up to now scarcely promises to earn this premium.

Plant.

The principal clauses of the contract have now been considered. The plant consists of (A), what was originally the French Company's, and (B) additions by the present contractor, Mr. Cerdán :—

A.—1. Restaurant for employés, 29 on plan.
2. Three blocks of one-storey dwelling houses, 26, 27, and 28 on plan.
3. Two general warehouses, 24 and 25 on plan.
4. Two lime warehouses, 21 and 22 on plan.
5. One coal shed, between 22 and 23 on plan.
6. One large workshop for repairs of machinery, 23 on plan.
7. One engine-shed for locomotives, 20A on plan.
8. One wooden pier for landing lime from ship, 16 on plan.
9. Eight kilometers of railway, putting the various warehouses and works in communication with each other.
10. Two small locomotives with rolling stock of tip-cars for carrying the sand from the sand hill, distant about a mile, and the lime from the pier and the warehouses to the mortar mills.
11. One large travelling steam crane, three metres gauge, for lifting and transporting blocks.
12. About one kilometre of three metre gauge railway for travelling crane.
13. One flat-bottomed steamer with floorless chamber for submerging blocks.
14. Mortar mill, No. 1
15. Mortar mill, No. 2

} These mills are located on that portion of the breakwater which is completed.

B.—16. Mortar mill (No. 3), 30 on plan.
17. Resident engineer's offices.
18. Store for boat gear.
19. Lartigue railway, with rolling stock of double barrows for carrying concrete from mortar mills to block moulds.
20. Dock for embarking blocks, 36 in plan.

The relative positions of these erections and plant are for the

most part shown on the plan, and it will not be necessary to enter on a systematic and detailed description of them, though one or two call for some description, and others will be described incidentally later on.

Mortar mill, No. 1.

Mortar mill No. 1, built by the French Company, contains two mixers placed opposite each other, with space between them, to admit the entry between them of the double barrows or trucks into which the mixed mortar is discharged. The mixers are not unlike clay mills: their size is 1 metre high by 1 metre diameter; they are moved by a 25 horse-power engine and are fed by hand. This mill, served by 80 men, is capable of mixing 168 cubic metres of mortar (*i.e.*, sufficient for 12 blocks of 14 cubic metres or 28 tons) in a day of 10 hours.

Mortar mill, No. 2.

Mortar mill No. 2, also built by the French Company, is similar to No. 1, but smaller; the mixers are only 80 centimetres by 80, instead of 1 metre by 1 metre. The capacity of mill No. 2, served by 50 men, is 112 cubic metres of mortar, equal to eight 28-ton blocks, per day of 10 hours.

Mortar mill, No. 3.

Steam lift for mortar.

Mortar mill No. 3, just built by the present contractor, is similar to No. 1, except that it is provided with a steam lift for raising the barrows when loaded with mortar to a level above that of the block moulds into which they discharge. The barrows then run along the Lartigue railway, two men being required to push them, to the moulds, into which they discharge the mortar through their bottoms, which are moveable. This steam lift replaces a steam winch and cable and inclined plane, the means employed at mills No. 1 and 2 for raising the double barrows above the level of the moulds. Apropos of these means of raising the barrows when full, it seems to be copied from the Bute docks at Cardiff, where coal trucks are lifted above the level of the coal shoots. But it would have been more economical to have imitated the system in vogue at the Barry docks, where the coal trucks are drawn by locomotives on an inclined railway to the top of the shoots, and so discharged in half the time necessary at the Bute docks. And here, it may be remarked, that in an enervating climate like that of Vera Cruz, where the heat and humidity reduce the effective quality of manual labour by 30 to 50 per cent. of the average of temperate climates, it would be strict economy to use steam power for all operations capable of performance by machinery, even when they necessitate expensive plant. But for some reason or other (possibly in consequence of the stipulation as to contractor's plant becoming the property of the Government, as stated *antes*), manual labour is used at the port works in many operations where mechanical power could be economically applied. For instance, the lime is carried by labourers from the lighter to the railway truck, from the truck to the warehouse, from the warehouse to the truck (when the lime is to be used), and from the truck to the mill. In the mill it is handled again by labourers who feed the mixers. Something similar might be said, too, of the sand, which is shovelled by hand more than is necessary.

Steam lift.

Labour done by hand.

A great deal of this manual labour might be avoided by

adopting the system of inclined railways in practice at the Barry docks. The mixers might be placed at a level above that of the block moulds, and an inclined railway might deposit the sand and lime in a warehouse above the mixers, so that the ingredients of the mortar might be fed to the mixers, and the made mortar to the barrows, and by the barrows to the moulds, in each case by simple gravitation. The adoption of this system would of course involve some considerable outlay of capital, but it would be an economical outlay—for it would be covered many times over by the saving in wages and in time, which latter would probably mean the gaining of the 4 per cent. premium (on the works being completed in 40 months), or about 27,000*l.*

The block mould.

The block mould is a large wooden box, 1·75 metres high by from 1·90 to 2·00 metres broad, by 3·90 to 4·00 metres long; the mould has no bottom, and its sides are strengthened by beams and iron bolts. Near each end of the mould small beams of wood are placed in such a manner as to form a groove in the block; these beams used to be nailed to the mould, but it was found that that weakened the blocks, for the beams being thus unyielding did not allow the block to contract properly when drying.

Disposition of moulds in lines.

The moulds are arranged longwise in parallel lines, at a distance of 3 metres from centre line to centre line. This arrangement is to suit the travelling steam crane, whose gauge is 3 metres.

Lartigue Railway for carrying mortar to moulds.

The Lartigue Railway (an improvement introduced by Mr. Guzmán) passes over a line of block moulds intended for filling, and thus puts them in communication with one or other of the mortar mills. The barrows used are, as has been already observed, double; one hangs on each side of the rail, thus counterbalancing the other; they have moveable bottoms, and as they arrive over the mould in process of filling, a lever is pulled and the contents of the barrows fall into the mould, where it is rammed by workmen shod with waterproof boots.

Blocks are generally allowed eight days at least to dry before they are moved. When a line of blocks is ready to be submerged, the crane is brought up on the 3-metre gauge railway, one line of which is laid on each side of the line of blocks. This crane was designed by Mr. Thiers and constructed by Mr. Windkneckt, of Paris, and consists of a carriage (on eight steel wheels) 3 metres high, 5·20 metres long, and 5·20 wide, with engine of 45 horse-power and lifting apparatus for raising the block; its engine is also adapted for travelling, but the speed it attains is very low, so that when the blocks have to be carried any distance the operation is slow and tedious. In spite of the large dimensions of the travelling crane, its floorless chamber is too small to hold blocks of 14 cubic metres (the minimum size for which the contract stipulates), and consequently the size of the blocks has had to be reduced to from 12½ to 13 cubic metres.

Steam travelling crane for lifting and carrying blocks.

This travelling crane is no doubt one of the best of its sort, but its use at Vera Cruz is open to a very grave objection, which is pointed out by Mr. Luis Villaseñor (the engineer appointed by the Government to inspect the progress of the works) in a report

Government inspector's objection to the system of moving the blocks.

which he addressed to the Government on the 30th of June last. Mr. Villaseñor's objection is not to the travelling crane itself, but to the system it involves of constantly relaying a 3-metre gauge railway for it to run on in order to reach the line of blocks as they are made (for they are never made on the same site, except perhaps by accident after other sites have been used). This constant taking up and relaying of so broad a gauge railway leads, as Mr. Villaseñor points out, to heavy and needless expenses; and when the blocks are lying at any distance from the block dock, it leads to great loss of time too, for the travelling speed of the crane is very low.

Inspector prefers English system.

Mr. Villaseñor recommends the adoption of what he terms the English system, viz., a steam bridge crane, working over the entire area devoted to the moulding of the blocks in such a manner as to be capable of being placed over the particular block whose turn it is to be carried to the dock for embarkation and submersion, the bridge crane being connected with a single line of normal gauge, on which an ordinary truck carries the block to the dock, where another crane lowers it into the floorless chamber of the boat for submersion. Mr. Villaseñor is of opinion, and he is doubtless right, that this system would be much more expeditious and economical than the present one.

Dock for embarking the blocks.

At the extremity of that portion (416 metres) of the breakwater already constructed, including the 300 metres built by the old French Company, the present contractor has constructed a little dock (see Plan 36), 28 metres long by 8 metres wide, for protecting the steamer that carries the blocks out to sea and submerges them. But, unfortunately, the dock has at low tide only $1\frac{1}{4}$ metres of depth, whilst the steamer draws $1\frac{3}{4}$ metres, so that the steamer cannot enter at low tide. Mr. Villaseñor, in his report quoted above, points out this error in the choice of the dock's site, and suggests that the dock should be deepened by half a metre, so as to admit the steamer, and allow her to load at all states of the tide.

A skeleton bridge spans the dock, and from this bridge the travelling crane lowers the block into the steamer for immersion.

Special steamer for carrying and submerging blocks.

The submerging steamer, also built by Windknecht, is a flat-bottomed iron boat, 20 metres long by 6 feet wide, displacing about 150 cubic metres: she has three screws, two at the stern and one at the bow, so placed and arranged as to enable her to drop her block lengthwise on any given line. Near the centre, but a little forward, there is a floorless chamber 4·20 by 2·20 metres for receiving the block destined to be submerged. The block is supported in this chamber by chains till the vessel arrives over the exact spot where the block is to be sunk, when the chains are let go, and the block descends to the bottom. The vessel has three engines of 15 horse-power each—two to move the screw propellers and one to work the winch. Two of these engines were put in by the present contractor, Mr. Cerdán; but the vessel and her other machinery belonged to the old French Company, and, as above stated, the present contractor has the

free use of her as well as of the rest of the plant of the old contractors.

The vessel is a beautiful example of engineering work, but, unfortunately, its floorless chamber is too small, and its chains too bulky, for dealing with blocks of 14 cubic metres, so that, as pointed out by Mr. Villaseñor, the blocks have had to be reduced by about 1 to 1½ cubic metres below the contract dimensions.

Before closing this notice of the plant of the port works, a word must be said in praise of the really first-class workshops erected by the old French Company for the repair of machinery, and for the construction of block moulds, rolling stock, &c. The building itself is lofty, and covers a large area, and it is fitted up with machinery of the latest designs for all the operations necessary for repairing engines, boilers, and other machinery. The engines that work the machines in these workshops consume from 80 to 100 tons of coal per month, and the number of workmen employed continually in the shops (including carpenters) is from 40 to 50. These men are not exclusively employed on the port works, but occasionally on repairs to ships, machinery, &c., belonging to the Government and to private individuals. Workshops.

The operation of making the blocks has been incidentally described in dealing with the plant; it only remains to be said that the concrete mortar is made by the mixture of 350 kilos. of "Theil" lime and 1 cubic metre of sand, with the proportion of water necessary for reducing the mass to the consistency of a thick paste. In each barrowful of mixed mortar, a certain quantity of large round stones is thrown as it is on its way to the block mould. As has been seen, Mr. Thiers was against this system of mixing stone with the mortar, and Mr. Villaseñor appears to concur in his opinion; but, for the present, it is still carried on, and the quantity of stone thrown into each barrow is measured by rule of thumb: the workmen in charge of that operation, not being provided with any means of weighing or measuring the stone, they throw them into the mortar as it passes them on its way to the mould. But this defect will no doubt be remedied, as have others pointed out by Mr. Villaseñor; and, in fact, the stock of stone is not being renewed. The use of this stone, it may be remarked, is not an economy, as it is not found on or near the spot, but has to be carried a good many miles, thus causing a heavy freight. Its present use appears to be for the simple purpose of exhausting the stock, instead of allowing it to be idle. Component parts of the concrete-mortar.

The total amount of work to be done under the contract may be roughly estimated thus:— Quantity of work to be done.

Blocks of 14 cubic metres each, about 23,500 square metres.
Filling (sand and rubble) about 250,000 ,,

About 15,000 of the blocks have only to be thrown in, a simple operation, not consuming much time; the remaining 8,000 have, according to the contract, to be laid in courses, which, of course, is not so simple as expeditious.

The present contractor, Mr. Cerdán, commenced the works on

the 8th May, 1888, and on the 8th October instant (*i.e.*, in 17 months) he had submerged 4,000 blocks only, and those not of 14 cubic metres, but, as pointed out by Mr. Villaseñor, of 12½ to 13 cubic metres only. But assuming, for the moment, the blocks to be of contract size, the submersion of them has only proceeded at the rate of 235 per month; at which rate it would take about eight years instead of 4½ to make and place the whole number of blocks, not to mention the filling in of 250,000 cubic metres, which, although comparatively simple, will consume a certain amount of time, even if effected in part simultaneously with the completion of the retaining walls.

Rate of progress up till now not satisfactory, but henceforth will be better.

But fortunately the calculation just made has to be modified, inasmuch as, for the greater part of the 17 months included in it, it was only mortar mills Nos. 1 and 2 that were at work, No. 3 having only been recently completed. As has been already pointed out, the maximum capacity of each of these mills is as follows:—

No. 1	per day	12	blocks		
„ 2	„	9	„		
		21	„	old total capacity.	
„ 3	„	12	„		
		33	„	new	„

So that if in future the three mills be worked to their maximum capacity, for 300 days per annum, the remaining 19,500 blocks will be made in exactly two years (in Mexico 300 is a rather liberal estimate of working days per annum, as besides the 52 Sundays there are at least a dozen holidays, when it is impossible to persuade labourers to work). But assuming the blocks to be made at this rate, is the plant sufficient to put them in position? In considering this question the Northers have to be taken into account, for they close the port and stop work in the water for about 90 days per annum. Now it takes the vessel half an hour to embark and sink a block and return to the dock, so that she can only submerge 30 blocks in a day of 15 hours; and for her the year cannot, on account of the Northers (which do not restrict themselves to Sundays and holidays), be reckoned at more than 250 working days per annum. It would thus seem that the vessel cannot be relied on for submerging more than 7,500 (*i.e.*, 30 by 250) blocks per annum; and as to laying blocks in courses under water, there is at present no plant on the ground adequate to the execution of such work.

Plant still inadequate to completion of works in 1892

These considerations lead one to the same conclusion as that of Mr. Villaseñor in his report already quoted, viz., that the plant is inadequate to the execution of the works by the stipulated date, 1892, and that it should be considerably increased without loss of time, which will no doubt be done, although, as before stated, the new plant will become the property of the Government.

Will closing of North

Whether the closing of the North Channel will affect prejudicially the public health is a much vexed question. It certainly

will, if the town continues to drain into the harbour; but this need scarcely be anticipated, as the corporation is alive to the necessity of carrying its sewers outside the breakwater on one side, and well clear of the entrance to the port on the other, and it will, no doubt, act promptly on the facts, to which, indeed, Mr. Villaseñor has drawn the corporation's earnest attention in his report. But whether, in spite of the removal of the sewers beyond the limits of the port, the stoppage of the current will still affect the public health, is a more difficult question. The current has not only had the credit of removing the bulk of the sewage, but also the germs of yellow and other fevers, and, if its reputation in this respect be well founded, the breakwater may of course have a good deal to answer for when it has completely stopped the channel. But it would seem as if actual experience could alone settle this question, and at all events mere surmises are hardly worth detailed discussion.

Channel affect public health?

Another question has been raised by critics of the principle of the present port works which seems more tangible, viz., Will the closing of the channel at the north cause it to silt up at the south, or rather south-east? To some extent, no doubt, it will; but having regard to the large area of the port, the silting up is not likely to be on a very considerable scale, and a very moderate amount of dredging per annum will in all probability suffice to maintain the present depth of the port.

Or silt up the harbour.

As regards the advantages to be obtained by the present works when completed they are very great, though it must not be lost sight of that the two long T-piers are not to be constructed at present, so that the whole area of the port will still be exposed to the winds and to the waves raised by them, which was one of the points in Eads's scheme which excited the severest criticism of Mr. Thiers at the time he was propounding his own counter scheme.

The T-piers not to be constructed at present.

And, to deal with the disadvantages first, there is another which at once presents itself, viz., that as the mole, proposed by Mr. Thiers, is also abandoned, or, at all events, postponed, the only part of the main breakwater available for ships discharging or loading is that part of it which crosses the deep channel (unless, indeed, a considerable amount of dredging be done, which, however, is possible, as between the two reefs Caleta and Gallega the bottom is sound for a very considerable depth).

Construction of mole also postponed.

But apart from the short comings just alluded to, which can be remedied at any time when financial circumstances allow, the breakwater will be undoubtedly a great improvement to this port. In the first place, it will protect a large portion of the harbour entirely from the Northers, and the rest in a considerable degree, so that 90 days will be added to the present working days of the year. In the next place, it will enable several ships at a time to discharge a load without the aid of lighters, which are not only expensive, but very tedious. And, lastly, it will abolish the present unsatisfactory state of things with regard to demurrage claimed by the great majority of ships, and always disputed. Liners will

Advantages of present works.

also be able to leave at their advertised dates, which at present is often impossible, owing to the wind or waves rendering it impossible to load or unload.

Works may still be completed in time if adequate plant be supplied.

In conclusion, it should be remarked, in extenuation of the shortcomings that have been noticed in this report with regard to the present contractor, that the works he has undertaken are on a grand scale, and the first of the sort attempted in this part of the world; that he has been, on the whole, successful, where Eads's Company failed through miscalculating the force of wind and water to be contended with, and where the French Company failed through making slower progress than he. Having now the advantage of knowing not only the shortcomings of his predecessors, but also his own, it may confidently be expected that he will, with his accustomed energy, at once proceed to apply the necessary remedy; which, as shown by Mr. Villaseñor, is to be found in an adequate increase of plant and machinery. In this case the works may still be completed within the contract period, *i.e.*, in 1892.

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Presented to both Houses of Parliament by Command of Her Majesty, JUNE, 1890.

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No. 170.

Reference to previous Report, Annual Series No. 637, p. 12.

MEXICO.

MEXICO.

Sir Spenser St. John to the Marquis of Salisbury.

My Lord, *Mexico, March* 25, 1890.

I HAVE the honour to enclose a Report from Sir Francis Denys on the Concessions for Railways in Mexico granted during the year 1889. It is explanatory of the paragraphs relating to the Railway Subventions in his Report on the Finances of Mexico, Annual Series No. 637, p. 12.

Sir Francis Denys has been at the pains to visit the principal railways in the country, and therefore most of his remarks are the result of personal observation.

I have, &c.

(Signed) SPENSER ST. JOHN.

Concessions for Railroads in Mexico Granted during the Year 1889.

Pachuca to Irolo or Soapayuca to join the Interoceanic Railway. Concession granted to Francisco Arteaga, May 16, 1889. Narrow gauge.

Ometusco to Pachuca to join the Mexican Railway. Concession granted to Mexican Railway Company, April 12, 1889. Broad gauge.

Monterey (State of Nuevo Leon) to Bajan or Jaral (International Railway). Concession granted to General G. Treviño and E. de la Garza, representing the Monterey and Gulf Railway, February 26, 1889, to construct a railway to start from a point between the stations of Bajan and Jaral on the International Railway, and join at Monterey the railway in construction between that town and Tampico. Broad gauge subvention, 8,000 dol. (1,267*l.*) per kilom.

Yucatan—various railways in. Concession granted to J. P.

Contreras and others, February 16, 1889. Gauge and traction optional. No subvention.

Izucar de Matamoros (State of Puebla) to Acapulco, to join the Interoceanic Railway at a convenient point. Concession granted to Francisco Arteaga, July 1, 1889. Gauge narrow. Subvention during construction 5 per cent. annually on cost of each kilom. constructed and approved, estimated at 33,333 dol. (5,282*l.*). On completion of construction Government undertakes to pay for 15 years 5 per cent. interest on total cost of kiloms. constructed. Length of road stated to be 396 kiloms. (246 miles).

Chihuahua. Jimenez to the Sierra Madre. Concession granted to L. M. Arantave and Company and Luis Hüller, November 13, 1884. Modified June 26, 1886, November 12, 1887, June 6, 1888, July 1, 1889. Subvention 4,500 dol. (713*l.*), or 8,000 dol. (1,267*l.*), as narrow or broad gauge is decided upon.

Yucatan. From the station of San Ignacio on the Merida and Progreso Railway to Hunucma. Concession granted to J. U. Martinez, July 11, 1889. Gauge and traction optional. No subvention.

Puebla to the factories of El Valor, Independencia, Economia, La Constancia, Josefina, Tlaxcalteca, and Panzacola, with a branch to the factory of Santa Cruz and power to extend to Cholula. Concession granted to R. Miranda y Marron, July 29, 1889. Broad gauge. This road is projected for the purpose of connecting various large factories in the neighbourhood of the city of Puebla with the warehouses of the Mexican and Interoceanic Railroads, and will be about 24 kiloms. in length (15 miles).

Pachuca to Tampico viâ Apulco and Zacualtipam, with power to connect with Tulancingo and the iron works of Trinidad, San Miguel, Encarnacion and Guadalupe. Concession dated August 14, 1889, amending the concession dated June 5 and January 20, 1888. Present concessionaire, Richard Honey. Gauge narrow. Subvention 4,500 dol. (713*l.*), or 6,000 dol. (950*l.*) per kilom., according to the width of gauge decided on.

Matamoros, State of Tamaulipas, to Matehuala, State of San Luis Potosi, viâ Linares, Iturbide, and Doctor Arroyo. Concession granted to General Pedro Martinez and Hermenegildo Dávila, August 24, 1889. Gauge broad. Subvention 8,000 dol. (1,267*l.*) per kilom. This line will intersect the Monterey and Mexican Gulf Railway at Linares, and the National Railway at Matehuala.

Yucatan, Caucel to Progreso. Concession granted to José E. Maldonado, October 7, 1889. Narrow gauge. No subvention.

Matamoros, State of Tamaulipas, to San Luis Potosi viâ Ciudad Victoria, Tula de Tamaulipas. Concession granted to General Romulo Cúellar, October 9, 1889. Broad gauge. Subvention 8,000 dol. (1,267*l.*) per kilom.

Mazatlan to Camargo on the Rio Bravo del Norte viâ Durango and Monterey. Concession granted to Francisco Alfaro, October 10, 1889. Broad gauge. Subvention 8,000 dol. (1,267*l.*) per kilom.

Guadalajara to Port of Chamela; Guadalajara to Aguas Calientes. Concession granted to Gonzalo Esteva, October 23, 1889. Broad gauge. Subvention 8,000 dol. (1,267*l.*) per kilom.

Bagdad to Matamoros State of Tamaulipas. Concession granted to Luis Vizcaya, October 25, 1889. Broad or narrow gauge. Subvention 8,000 dol. (1,267*l.*) or 6,000 dol. (950*l.*) per kilom., according to gauge decided upon.

I. Port of Matamoros to Tuxpan, viâ the Gulf Coast.

II. Tuxpan to connect at a convenient point with the Tehuantepec railway.

III. From the point of connection with Tehuantepec railway to an intermediate point on the way to a sea port in the States of Yucatan, Campeche, or of Tabasco.

IV. From the above intermediate point to any port of Yucatan considered most suitable.

V. From a suitable point on the lines III.–IV. to the frontier of Guatemala.

VI. Tuxpan to the city of Mexico. Concession granted to Feliciano San Roman, November 9th, 1889. Broad gauge. Subvention, 8,000 dol. (1,267*l.*) per kilom.

Tula, State of Hidalgo, to Zacualtipan, viâ Pachuca and Tulancingo, with power to extend line to Tampico or Tuxpan. Concession granted to General Felipe Berriozabal and Sebastian Camacho, December 20, 1889. Broad gauge. Subvention 8,000 dol. (1,267*l.*) per kilom.

This line will practically be a branch of the central railway.

San Juan de los Llanos, State of Puebla, to Tezintlan, viâ Santa Lugarda, Coyuaco, Zacapoaxtla, and Tlatlanqui. Concession granted to General H. Carrillo and Company, December 20, 1889. Narrow gauge. Subvention 6,000 dol. (950*l.*) per kilom.

Coal regions of Hures, Hermosillo, and Alamos to Guaymas, to connect with the Sonora Railway. Concession granted to Benigno V. Garcia, November 30, 1885. Confirmed December 17, 1889. Broad or narrow gauge.

Ometusco, on the Mexican Railway, to Tulancingo, State of Hidalgo, viâ Tlanalapa, on the Hidalgo Railway. Concession granted to Pedro Azcué and Augustin M. Lazo, March 8, 1890. Broad or narrow gauge. No subvention.

Concession forfeited.—Texas Topolobampo and Pacific Railway. Concession granted to F. M. Prida, June, 1881.

Correction—Mexican Pacific Railway.* Mexico city to Cuernavaca, Puente de Ixtla to Bay of Zihuatenejo, 140 miles north of Acapulco. Concession granted to Augusto Verger, July 5, 1886. Broad or narrow gauge. No subvention.

* This railway was confounded with the Tonolá to Frontera Railway in list furnished by the Ministerio del Fomento, see Report No. 116.

Notes on railways in construction and opened to traffic since date of last report (No. 116 of 1889):—

Mexican Railway.—The branch line from Ometusco to Pachuca, 30 miles, is being constructed in the usual solid manner characteristic of the Mexican Railway. It is expected that the branch will be completed by June next.

Central Railway.—Construction on the St. Luis Potosi branch to Tampico, 278 miles, has progressed steadily during the past year. At the present date there remains about five miles to complete the junction of the two ends.*

Concession for improvement of port of Tampico.

The Mexican Government have granted to the Central Railway Company a concession with a subsidy of 3,000,000 dol. (475,435*l.*) in 6 per cent. Government bonds for the deepening of the port at Tampico. It is stated that the surveys and soundings already made demonstrate that the entrance can be permanently deepened so as to admit vessels of all draughts, and the necessary works will be shortly commenced.

Should this port prove to possess the advantages represented, a material diversion of international traffic will probably be brought about. The local traffic on this branch will, however, be small for some years to come.

Interoceanic Railway.—This line is now in operation between the capital, Puebla and Perote, a distance of 212 miles. The section from Perote to Jalapa will be opened to traffic, it is expected, by July next, and to Vera Cruz at the commencement of 1891.

The branch to the Pacific has been extended from Yautepec to Tlaltizapam, to which point trains are running.

It is reported that the mode of construction on the new sections, and the rate at which repairs are being carried out on the old sections, is not satisfactory.

Inferior construction of interoceanic railway.

From observation, ballasting appears to be making but slow progress, sleepers of soft wood instead of oak, mesquite or cedar are being largely used, while the numerous bridges and culverts are of merely a temporary nature. Stations and freight accommodation, except at Irolo, has still to be built; in short, it would seem as if cheapness in construction, rather than the safety of the public, has been chiefly considered, to which fact the numerous recent accidents resulting from trains leaving the metals must undoubtedly be attributed.

Mexican Southern Railway.—Construction on this line is being vigorously pushed forward by the contractors. The survey between Puebla and Tecomavaca, 135 miles, has been completed, with about 87 miles of grading. The masonry over 19 miles of road is finished, and 26 miles of telegraph laid; 32 miles of rails and fastenings have been delivered.

The stations and workshops are in progress, and the entire section between the above points will be finished by the end of the present year 1890.

For the construction of the section between Tecomavaca and Oaxaca, a further issue of capital has to be made.

* The junction has since been completed.

Maravateo and Iguala Railway.—As this line belongs to an English Company, the following description is given :—

Description of Maravateo and Iguala Railway.

The line leaves the National Railway at Maravateo, 138 miles distant from the city of Mexico, and ascends in a south-westerly direction towards the mining town of Angangeo and the large reducing works of Las Trojes, belonging to the Michoacan Railway and Mining Company, Limited.

From Las Trojes it is proposed to extend the line to the town of Zitácuaro, situated in a fertile region, and on one of the main roads leading to the "Tierra Caliente," and thence to Temascaltepec, Sultepec, Zacualpan, Tasco, terminating at Iguala, a station on the proposed western extension of the Interoceanic Railway.

The Maravateo and Iguala Railway is being constructed by the Michoacan Railway and Mining Company of London, which raised the necessary capital privately, their object being two-fold :—

1. To construct a line to serve the towns mentioned, and the various haciendas situated along the line, and to connect by a through route the State of Guerrero with the northern States of Mexico and with the United States.

2. To develop the smelting works of Las Trojes, connecting them with the mines at Angangeo, 2½ miles, and through the National and Interoceanic Railways with the whole system of the Mexican railways.

Line in operation as far as Las Trojes, 31 miles; entire length, 124 miles. Narrow gauge. Subvention, 6,000 dol. (950*l.*) per kilom.

The country traversed enjoys, in addition to a rich soil, a temperate climate, and a plentiful supply of rain from May to October. The greatest altitude reached is 8,500 feet near Angangeo, and the lowest, 5,000 feet.

The products of the district are maize, wheat, barley, timber, charcoal, and ores, while sugar, coffee, and other products of the hot country will be sent over the line viâ Zitácuaro. The National Railway should be benefited materially by the opening of this road.

National Railway.—This Company has not extended any branch or road during the past year. It may be mentioned, however, that on the new section of the trunk line, heavy expenditure has been incurred in the construction of station accommodation, in putting in iron bridges, and in generally improving the permament way, which may now be said to be in very fair condition.

Further outlay will, however, be necessary to straighten out the many useless and dangerous curves on the southern section between Acambaro and Toluca, which have been the cause of the management having to lengthen the original advertised time of the journey from Mexico City to Nuevo Laredo from 38½ hours to 48 hours.

A third rail has been laid across the Mexican National

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No. 147.

NETHERLANDS.

ROTTERDAM.

Consul Turing to the Marquis of Salisbury.

My Lord, *Rotterdam, October* 7, 1889.

I HAVE the honour to inform your Lordship that, from the 26th ultimo to 3rd instant, the trade of this city was sadly interfered with through a number of casual dock labourers having struck work on the first-mentioned day.

On the 20th ultimo a pamphlet was circulated purporting to issue from a committee of labourers, in which were embodied the conditions to be demanded from employers, and further stating that unless these were granted a general strike would take place on September 26.

These conditions were as follows:—

1. For casual labourers and time workers an advance from the present rate of fourpence to fivepence an hour. For any part of the fore and afternoons the wages to be paid for the whole of the fore and afternoons, and for any portion of the night a whole night's wages.

2. For the grain dockers an advance from $1\frac{3}{4}d.$ to $2d.$ per 2 tons with a fixed overseer, and $2s.$ $6d.$ per diem for the man at the winch.

3. For the ore labourers an advance from $1d.$ per 2 tons to $1\frac{1}{2}d.$ with a full complement of men and an overseer.

4. For the coal-heavers an advance from $1s.$ $8d.$ to $2s.$ per keel.

Whilst all classes of men demanded double wages for Sunday labour.

Pending the advent of September 26, the labourers did not seek an interview with the employers to discuss their grievances, and accordingly on the morning of that day gangs of men commenced parading the quays, inciting those engaged in loading and discharging the several steamers berthed there to stop all work. The latter in several instances at once joined the strikers, others holding out and continuing their duties until forced to desist by the threatening attitude of the men on strike.

The extensive area over which the shipping in port is spread, seriously handicapped the police in affording sufficient protection to those who were willing to continue work, and, owing to this cause, all labour on board of the ocean-going steamers came practically to a standstill in the course of the afternoon.

I should here, also, state that bodies of strikers visited the vessels lying in the stream and forced the men to stop work, and in one instance, namely that of the British steamer "John Readhead," they cut down the tackle used for discharging the cargo of grain.

Under these circumstances strong pressure was put upon the Burgomaster, as Chief of the Police, to adopt more stringent measures for the due protection of life and property; and, as the result of these representations, the civic guard, consisting of about 1,400 men and 150 marines, were called out for duty on Friday afternoon, and detachments were told off to guard the neighbourhood of those steamers where work was obliged to be carried on, whilst parties of police and civic guards patrolled the quays and streets.

At the same time a couple of gunboats anchored in the river, which was also traversed by small steamers conveying police and marines for the protection of the vessels lying in the stream.

These measures had the effect of somewhat allaying the agitation, but did not result in a general resumption of work. In fact, the only boats on which work was resumed, on Friday, were those of the Great Eastern Railway Company, and hence the daily service could be continued, and practically was not disturbed during the whole of the strike.

For the possibility of the Company's Dutch labourers refusing duty a number of English hands were despatched from Harwich, but their services were not called into requisition, and they returned to England on Saturday evening.

On Friday morning a collision took place between the police and some of the strikers, when the former were obliged to use their swords, and two or three slight casualties occurred; whilst in the evening a more serious encounter happened, when the crowd, composed largely of rioters, in no way connected with the dockers, assailed the police and civic guard with stones taken out of the roadway, and a sword and bayonet charge was made on the mob, with the result that several of the latter were wounded but not seriously.

Having read in several English papers that, on this occasion, the police and military fired several volleys into the crowd, I take this opportunity of emphatically denying these reports, for the very good reason that the police do not carry firearms and the civic guard were not provided with ammunition.

On the same evening a crowded meeting was held of dock-labourers, when it was unanimously decided to continue the strike unless the demands already enumerated above were conceded; which demands had in some few instances been verbally communicated to one or two employers of labour, but had not been submitted hitherto by any responsible committee of the strikers to the representatives of shipping in this city.

Matters remained much the same during Saturday, Sunday, and Monday, the police and military guarding the quays and docks, whilst on board of some foreign vessels the cargoes were worked by the crews.

At the same time a quieter feeling became apparent, whilst there were evidences of a desire on the part of some dockers to resume work.

On Monday evening a meeting of the strikers was held, and about the same time the shipowners and brokers met, when they expressed their readiness to receive a deputation of the men should the latter desire to lay their alleged grievances before them.

This readiness resulted in a protracted conference on Tuesday, and was continued on Wednesday morning, when certain terms were drawn up on which the strikers should resume work. These conditions were submitted to the general body of men that evening, and it is highly satisfactory to report that these terms were accepted and agreed to, and consequently work was generally resumed on Thursday last, the strike having thus lasted exactly one week.

The concessions thus granted embrace the demands of the casual and time workers and grain dockers; but it was conclusively proved that, if the expenses connected with the iron-ore were increased, great risk would be run of this trade being directed to other ports, and, therefore, the men's demands could not be acceded to. Those of the coal-heavers required reference to third parties, and would, therefore, be considered later on.

It was further arranged that for all Sunday labour an advance of 50 per cent. on present rates will be paid, and, also, that wages will no longer be settled in public houses as hitherto was customary, whilst a minimum of 1*s.* 8*d.* is assured to all labourers engaged for only a few hours daily. Should night work be stopped, through stress of weather or other circumstances, for a shorter period than six hours the wages to continue for the period of stoppage.

In reviewing the causes which led to the strike it may, in the first instance, be pretty safely assumed that the Dutchmen were actuated by the late example of their London brethren.

The transit trade of this city was undoubtedly affected by the London strike, which was more prominently brought to the knowledge of the local dock labourers by the consequent irregularity in the service of the London steamers running to this port.

The interest thus aroused was kindled by the newspaper reports of the strike's progress, and its result stimulated action on this side.

To the non-existence in this city of labourers' unions, however, may be ascribed the fact that the number of men who originally struck work did not exceed about 200, and although this number subsequently was largely added to, yet the majority of the increase consisted of idlers and loafers and also of labourers who, under pretence of intimidation, availed themselves of the opportunity to enjoy a time of idleness.

It cannot be denied that the scale of wages and the conditions of work in several branches of dock labour required revision and improvement, whilst it must alsobe admitted that the system of

payment through stevedores and middlemen called for alteration; but it is generally deprecated that, before taking extreme measures whereby the trade of the port was practically paralysed, the men did not seek an interview with the employers, and endeavour by friendly means to obtain that which has now been conceded them. Several matters of minor importance connected with the labour question have still to be arranged; but it is a matter for sincere congratulation that the main differences have been settled, and that thus the important trade of this city has resumed its old footing.

I have, &c.
(Signed) HENRY TURING.

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THE AURIFEROUS DEPOSITS OF PERU.

Presented to both Houses of Parliament by Command of Her Majesty, MAY, 1890.

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No. 167.

PERU.

LIMA.

Sir C. Mansfield to the Marquis of Salisbury.

My Lord, *Lima, April 7,* 1890.

I HAVE been desirous to transmit to your Lordship a Report upon Commercial Matters in this country, and am endeavouring to collect materials for that purpose.

The absence of trustworthy data in Peru makes it difficult to furnish information of value upon the Industries and Commerce, and bearing in mind that, with regard to foreign enterprise, the future of this Republic lies in mining, I have thought that the accompanying Report upon the Gold Deposits of Peru may not be otherwise than useful.

My information has been drawn from the reports of the Lima School of Mining.

There is no good map of Peru, and many of the spots mentioned will not be found in maps; the larger towns and rivers will be found without difficulty; but doubtless many names indicated represent temporary settlements or former workings, Indian villages deserted or in existence, or spots or hills where chapels have existed, or still exist.

I have, &c.
(Signed) C. E. MANSFIELD.

Report upon the Auriferous Deposits of Peru.

In the mountain ranges of Peru, in the vicinity of the seaboard, whenever the rocks are of a crystalline character, gold is found in veins of quartz, which have been intruded into the granite and syenite.

In this belt almost all of the spurs of the Andes are of the above formations, and the auriferous quartz is almost invariably accompanied by oxide of iron and mica.

The proportion of oxide of iron associated with the auriferous quartz present considerable variations. Every possible form is met with, from white quartz, permeated with small ferruginous spots, to a reddish rock so charged with oxide of iron that the latter forms almost the entirety of the auriferous mineral, the quartz appearing, as it were, in an accidental manner.

The quartz in the auriferous minerals of the coast varies considerably in appearance, being found crystallised in prisms, in semi-crystallised grains, agglomerated with and united by oxide of iron, or in amorphous masses more or less compact, or friable with the appearance of scoria.

In this district the auriferous quartz is often associated with other minerals, such as a white talcose substance, smooth to the touch, with a silky, almost silvery polish, with flakes of carbonate of lime of a laminar structure, and limonite of a resinous appearance.

Lastly, on the coast of Peru, gold may sometimes be discerned in copper minerals, as well as in those mixed with chalk, copper pyrites, malachite, alacamite, and silicate of copper.

In the upland districts, where the formations exhibit the character of aqueous deposits, veins of gold are not only found in crystalline earths, but also in metamorphic rocks, such as quartzites and slaty schist, intruding themselves into the sedimentary and eruptive formations.

In these veins the gold is sometimes in a pure state, as well as in pyrites, sulphuret of iron, or accompanied by other metallic sulphurets more or less auriferous, copper pyrites, panabase, bournonite, galena, jamesonite, &c.

Gold in the mountain ranges is found in veins and threads, and in the alluvial districts of the same in flakes and grains—auriferous deposits, which are known to the country people by the names of "rebosaderos" and "aventaderos," also as "lavaderos": the above, however, do not occur on the seaboard.

In the Cordillera Oriental, in the district called the Montaña, gold is usually found in quartz veins injected into talc and clay slate by upheaval of crystalline rocks. The quartz which accompanies the gold in this district is white, and occasionally exhibits marks of oxide of iron, but the latter is never found in the same abundance as in the auriferous minerals of the seaboard. The above-mentioned quartz, more especially in the province of Sándia, sometimes exhibits stains of mispickel or arsenical pyrites.

In this part of Peru there are important beds of auriferous soil, and it is from hence that the greater number of nuggets have been extracted.

In order to form an idea of the dissemination of gold in the Republic of Peru, it will be necessary to briefly pass in review all the districts of the country where, as far as is known at present, the existence of gold has been authenticated, following the departments in geographical succession from north to south.

Department of Loreto.

In this department there are numbers of gold workings in the province of Alto Amazonas, between Pongo de Manseriche and the mouth of the river Huallaga.

Some of the principal diggings are those of Chanpirumi, Pucayaco, Calentura, Achual, Limon, Nitagua, &c., the above

have been worked for about two centuries, with occasional intervals, owing to the attacks of the Indians, who in 1857 destroyed many villages in the neighbourhood of Barranca and San Antonio.

In the year 1867 Captain Mariano Vargas, while on an exploring voyage in a steamer, in the rivers Morona and Marãnon, visited the diggings, and was present at the gold washing carried on by the Indians, and has placed on record his surprise at the excessive richness of the soil in the production of gold.

At the present moment a good many persons are carrying on gold washing, with profit, in the above localities.

The Banks of the River Napo.—This river, rapid in current and of no inconsiderable depth, rises within the frontier of Ecuador. Abundance of gold is carried down in the sands, which the Indians wash in troughs.

The traveller Osculati, who descended the waters of a portion of the river in the year 1846, says that the Indians pay their tribute to the Government of Ecuador with the gold which they extract from the sands of the Napo, filling with gold dust small tubes of the requisite measure, and any gold dust above their requirements is again thrown into the river.

Department of Amazonas.

Gold Mines of St. Thomas.—The principal gold field in this department takes the name of St. Thomas, and is situated in the province of Luya, distant two leagues due south of the village of St. Thomas and the town of Chachapoyas.

The gold-bearing hills are named San José and Chuyurco, and by the latter name is designated the principal vein, about 800 metres in length and from 3 to 24 centimetres in breadth.

The vein of Chuyurco has received the name of Reo, from its traversing the gorge of that name, while another is known by the name of Culquinchar: another, called Hovaluena, is from 30 to 50 centimetres broad. All these lodes run through a formation of talcose and micaceous slate, and the gold lies in rich quartz injections, more or less accompanied by iron and iron pyrites.

The proportion of gold undergoes variations in some specimens, the yield being 14·37 grm. to 115 grm. to the metrical ton.

Upon the spot the different classes of auriferous mineral have separate names, the principal of which are Nusco, Panal de Rosa, Higado, and Bronce. The first, that is to say Nusco, is the richest in metal and the easiest to work; the colour is blackish and is a heterogeneous formation of oxide of iron, manganese with foliated talcose and quartz: this variety has little consistency, and can be broken with the finger, while the gold is often distinctly visible.

Panal de Rosa is formed of quartz, more or less intersected with fissures, and in places contains gold in visible quantities: it is, however, far less valuable than Nusco, as being more difficult of extraction and harder to crush.

Higado is an oxide of iron, and is sometimes found with Nusco or Panal de Rosa in small isolated masses. The gold is scarcely ever

visible, as it is disseminated through the whole in imperceptible dust.

Bronce is a pyrite or sulphuret of iron, which also contains gold, but for extraction the mineral must be calcined.

Previous to the year 1880, the extraction of gold in this district was carried out in a primitive manner and on an insignificant scale by mills, in which the gold was crushed and amalgamated, requiring a whole day to operate upon one quintal.

In the same year Mr. Arthur Wertheman organised a company at Chachapoyas for working the mine of St. Thomas. A crushing house was constructed, with offices, &c., and the requisite number of hands were got together. Unfortunately, however, after having become acquainted with the manner in which the mine could be worked with profit, the works were interrupted by the Chilean war, when, from want of hands and through the difficulty of communications, operations had to be suspended.

The digging of Patahuachana is situated in the department of Amazonas, at the confluence of the rivers Nieva and Marãnon, but from its isolated position, and owing to the district being in the possession of a hostile tribe of Indians (Aguarunas), the above is not worked. This gold bed was discovered by Bishop Ruiz when on an exploring journey, undertaken with the view of opening a road between Chachapoyas and the Marãnon.

Gold Sands of the Marãnon, near Balsas.—In the line which the river Marãnon traverses from Cajamarca to Chachapoyas, in the neighbourhood of the village of Balsas, is the Quebrada Honda, at the mouth of which gorge the sands of the Marãnon contain gold of good quality.

Department of Piura.

The gold bed of Hualcarumi is situated in the department of Piura, in the gorge of Hualcarumi, three leagues to the north of the town of Ayabaca, the chief town of the province of the same name.

The gold is found in alluvial drift, resting upon crystalline and porphyritic rock. According to Professor Olaechea the gold is found from fine dust to grains, the size of a small pea, and he states that 1·87 grm. to the metrical ton can be obtained from the mineral.

In the gold mine in the district of Frias, situated in the department of Frias, between the town of Frias and the estate of Yanango, in the province of Ayabaca, the gold is found in a prolific quartz vein intruded into syenite rock.

This mine seems to have been abandoned, for although the veins are rich, but a small average of gold would appear to have been obtained.

Department of Cajamarca.

Gold in the Province of Jaen.—In the northern part of the province of Jaen, in the department of Cajamarca, and almost on the frontier of Peru and Ecuador, is situated the village of San

Ignacio, in the immediate vicinity of which, and at half a league's distance from the estate of Tomaqui, there exists gold ore, which cannot be worked with profit on account of the scarcity of water. Some years since the sub-prefect of the province made the attempt, but the want of water caused an almost total failure.

Gold Sands of the River Chincipe.—Leaving the village of San Ignacio, some two leagues to the north-east, we come to the banks of the river Chincipe, the source of which is within the territory of Ecuador: gold is found in the sands, and might be extracted with profit, were not the absence of local resources, bad roads, and the distance from Cajamarca (70 leagues) almost insuperable obstacles.

Gold Deposits of Asuncion.—Some two leagues to the south-east of the village of Asuncion, and about nine leagues from the town of Cajamarca is found the gold bed of Capan, on a sandy ridge, with rock of a highly metamorphic character. The gold is contained in quartz with oxide of iron, such as iron pyrites, with pyrites of copper and magnetic iron, as also in an earthy mineral with oxide of iron and coppery stains.

The pyrites, which have been tested, exhibit the presence of gold to about 10·4 grm. to 26 grm. to the metrical ton.

The mine is worked in an inefficient manner, borings having only been carried out where rich mineral is supposed to exist.

At one league's distance from Capan, on the ridge Colladar, are the mines of Chirinpata, some of which have been extensively worked. The pits are spacious and convenient, presenting many escarpments, with veins of peroxide of iron alternating with carbonate of lime of a laminar structure, with specks of pyrites, &c.

In the lower part of the gorge, at the base of the above, in a locality called Sapú, are the remains of the works, where the mineral from Chirinpata was crushed by primitive mills, such as are universally used in Peru: the principal pits were those of Chirinpata, Colorado, Chino, &c., and it is clear, from the appearance of the remains, that these works must have produced enormous quantities of auriferous mineral. The mineral which remains is of poor quality, and the experiments show but 6·46 grm. to the metrical ton: the carbonate of lime with specks of pyrites shows hardly any gold, and in the upper part of the ridge there is a vein of ferriferous blende.

Gold Bed of Carachugo.—Almost at the summit of the mountain range between Cajamarca and Yanacancha lie various masses of refuse, with the traces of mines formerly worked by the Indians, while flint implements have been found which evidently had been in use for extracting gold. The mines are not worked at present; the quartzose rock is extremely porous, exhibiting almost the appearance of scoria; there are also many pits, which have been inefficiently worked, perhaps owing to the proportion of gold not being remunerative.

Department of Libertad.

Cerro del Toro is half a league distant from the town of Huamachuco. The geological formation of the ridge is almost

vertical: strata composed of a reddish white, and in places almost yellow clay, in which there are veins of talcose clay having the appearance of scoria: in the latter the presence of gold may be distinctly recognised.

The above vein, which goes by the name of Carmen and Rosario, runs S.S.E. and N.N.E., between strata of white clay, and disappears into the ridge (S.S.E.) at an angle of 80°. The layer on the surface is about one foot in breadth, but widens as it descends, and attains to as much as two metres in breadth. The vein has been worked for some time, and has been explored up to a depth of 124 metres. Some 50 metres lower down in the ridge, Señor Jara has sunk a shaft cutting the vein transversally, and worked more than 40 metres; others have also worked the vein for distances varying from 25 metres to 40 metres, after which the works seem not to have been remunerative. The direction of the mine is from N.W. to S.E. Señor Reyna also worked another ridge, to which was given the name of San Francisco de California, and with fair results.

Gold Fields of the Province of Pataz.—The province of Pataz, and more especially the southern districts, is one of the richest gold fields in Peru; indeed, it may almost be said that the towns of Pataz, Parcoy, and Tayabamba are built upon gold beds, for in the gutters in the streets of these towns, and particularly in Parcoy and Tayabamba, after heavy rains, particles of gold are met with in the mud deposit, which the inhabitants call "astillas," the grains often weighing as much as a gramme.

Gold Beds in the Neighbourhood of Pataz.—Mouths of shafts exist in the above, from which large quantities of gold have been derived, but almost the whole have now passed into disuse.

The gold occurs in quartz intruded in numerous veins in syenite rock and porphyry diorite, running almost without exception in a direction from north to south. The latter is sometimes associated with a whitish rock—a description of kaolind, with occasional veins of talcose clay, called "panizo" by the inhabitants.

San Francisco is situated half a league to the south-east of Pataz, and the principal shaft bears the former name. The mine is on the slope of a ridge, and is 240 metres in extent, at a vertical depth of 100 metres; at the base of the slope a pit has been established with works for washing. Veins of sulphuret of lead are associated with the auriferous mineral.

The slope of Jembon, situated to the N.N.E. of Pataz, and half a league from the town on the road to Cazamarquilla, is rich in auriferous veins: the principal one is called the Polvadera, and the shaft bears the same name.

The vein is formed of quartz and talcose clay, and has yielded as much as 13·88 grm. to 520·83 grm. of gold to the metrical ton of mineral.

The ridge of Sarumillo, situated on the other side of the river Caruabamba, one league to the north of Pataz, possesses a considerable number of veins, which appear to unite at the foot of the slope at a spot called Uquilaya. The mineral is peroxide of iron, and yields 12·58 grm. of gold to the metrical ton.

Gold Mines of Parcoy.—The town of Parcoy, the capital of the province of Pataz, is, so to speak, situated in the midst of gold mines now totally fallen into disuse, but which in former times produced large quantities of gold.

The auriferous slopes in the vicinity of Parcoy are as follows:—

The ridge of Mishito is situated to the N.N.E. and E. of the town, the cemetery of the town lying upon the slope. The auriferous mineral is iron pyrites, or sulphuret of iron, known in the locality as "bronce," and appears in regular veins of a formal character. The mineral is little worked, on account of the small proportion of gold, but it is possible that, from the mineral not being previously calcined, the full amount of gold is not extracted. Small quantities of gold also occur in peroxide of iron in the slope.

The hill of Puyhuancito is situated on the other side of the ravine of La Soledad, half a league to the N.N.E. of Parcoy. The deposit of gold is important; the soil, however, is loose and subject to landslips, which offer serious obstacles to the operations of the miner.

The ridge of Chinchal, situated to the N.N.E. of the town of the same name, contains veins of peroxide of iron, in which gold is distinctly visible. The mineral is of so loose a character that washing is effected in a trough: quicksilver is mixed in the same trough, and the siftings are ground in a mill.

At the back of Chinchal is a spur called Puyhan Grande, an integral part of Chinchal. In Puyhan Grande are situated the mines of Gallinero and Corrito Blanco, both extremely productive in gold, and which originally led to the building of the town of Parcoy.

Mine of Tajo.—This mine, situated almost at the end of the gorge, is worked at an open cutting, and is rather a washing than a mine. The auriferous soil, by means of water, is carried over turf, which retains the gold, the turf being raised every fortnight and the gold collected. The Tajo has been extremely productive of gold, but, on account of the risk to the miners through landslips, operations have been repeatedly prohibited by the Government.

Mine of Gigante.—Almost half-way up the Mishito has been dug a pit called Humachuco, more than 300 metres in length, for the purpose of draining the highly-productive mine of Gigante. The latter lies somewhat higher up, at a spot called Concevo, where various veins cross and are parallel to each other: it has been stated that from this mine has been produced as much as a pound (1 lb.) of gold to 125 lbs. of mineral. In the same mine gold is found in pyrites at the rate of three ounces to the metrical ton of pyrites.

The Gold Bed of Cajas.—Some two leagues to the east of the town of Tayabamba, in the province of Pataz, gold is found at the mouth of the river Cajas, and veins occur of reddish sand, with grains of auriferous quartz mixed with ferruginous soil for four leagues distance along the right bank. The gold lies chiefly in

the ferruginous soil, and more particularly in a lower formation of gravelly sand, accompanied by rock fragments composed of hematite, or compact specular iron ore, the presence of the latter being recognised by the local miners as a certain indication of gold. In the gold bed of Cajas a nugget has been found weighing as much as five ounces, while nuggets of two ounces are by no means of rare occurrence.

On the right bank of the Cajas, and close to works, several small streams fall into the river, bringing down gold sands from the slopes. The most productive of the streams falls into the Cajas, three miles distant from Tayabamba, taking its source in the hills of Pagraska, which are known to contain auriferous formations of considerable richness. The stones brought down by the stream are of talcose slate, which is doubtless the geological formation of the heights.

Gold Field of Trujillo.—A gold field has been recently discovered in the interior, three leagues from the port of Salaberry. The gold occurs in quartz veins in syenite rock: the quartz, sometimes compact and sometimes friable or porous, is associated with oxide of iron, the latter, indeed, in some places so abundant that the mineral is almost entirely peroxide of iron.

In the earlier experiments gold was extracted at the proportion of 10·4 grm. to 93·6 grm. to the metrical ton. Later experiments, however, give the following and much more important results:—

	Grammes.	
Gold	90	to the metrical ton.
Silver	900	„ „ „
Lead	30	per cwt.

Mines of Zalpo.—The mineral deposits of Zalpo, 30 leagues distant from Trujillo, produce both gold and silver.

The most productive mine goes by the name of Pique de Zalpito. Gold is found in quartz, accompanied by chloride of silver, limonite, and oxide of manganese. Experiments show good results both in silver and gold; the latter is found in a pure state, as well as mixed with sulphuret of lead, highly auriferous, accompanied by copper pyrites, pyrites, and blende.

Gold Beds of Guadalupito.—On the right bank of the river Santa, in the district of Verú, in the province of Trujillo, are situated syenite hills, containing veins of auriferous quartz in places associated with limonite and talc. A specimen from limonite and talc yielded 10 grm. to the metrical ton, while another from quartz, with limonite and calcite, produced as much as 10 grm. to the metrical ton.

Department of Anchas.

The department of Anchas, without being as productive as that of Libertad, is by no means deficient in auriferous mineral.

Washings of Pallasca.—Below the town of Pallasca, in the province of the same name, runs the river Chuquicara, also called

the Tablachaca, and forms the boundary between the departments of Ancash and Libertad.

The principal gold sands occur from the bridge of Tablachaca, to the confluence of the latter river with the river Santa. The inhabitants of Pallasca employed in gold-washing are termed "playeros." The gold is found in very small grains, is washed in troughs, and subjected to quicksilver.

Gold is brought down from auriferous soil by tributary streams into the river Chuquicara, more especially by the Chuygoran, which joins the former river a quarter of a league from the town of Pallasca, and it is to be noted that the sand of the Chuquicara is much more productive of gold after the confluence with the Chuygoran.

Some veins of ferruginous auriferous quartz are met with in the immediate vicinity of Pallasca, in a formation of talcose metamorphic slate, which has been upheaved by an eruption of syenite. A specimen of auriferous quartz from the stream of Chuygoran yielded from 58·8 grm. to the metrical ton.

Mines near the District of Uco.—This district lies 15 leagues to the N.E.E. of Huarí, in the eastern part of the province of the same name. The mines and washings are far from unproductive, and are situated on an elevated ridge of talcose slate and gneiss, by name San Cristobal de Uchusinga, to the N.N.E. of the village of Uco.

The quartz-veins, in places crystallised and mixed with portions of pyrites, take a S.S.E. and N.N.E. direction, dipping to the N.N.E. at an angle of 75° to 80°. The veins are capped with a thin layer of clayey soil, known in the neighbourhood as "caliche." Specimens of the mineral show 37·5 grm. of gold to the metrical ton. It is to be noted, of 10 metres horizontal in the ridge some of the quartz is replaced by feldspar rock almost in a state of decomposition, known in the country as "panizo," after which formation the gold diminishes and gradually disappears.

In the Uco district there occur other deposits in the gorge of Minamayhua, on the other side of the ridge of San Cristobal, in the direction of the river Marānon: the diggings are known as Minamayhua, Chinchuragra, and Pucaragra.

The minerals are of alluvial origin, of a reddish colour, due to the presence of oxide of iron, the detritus of the soil being composed of rounder stones, which have been subjected to the action of water, such as granite, gneiss, talcose, and micaceous slate, quartz, diorite, and hematite. The latter occurs in the lower deposit, and is an invariable indication of the presence of gold. The alluvial soil rests upon calcareous deposits, with ammonites, which belong to the cretaceous formation. Gold in Uco is found also in flakelets and nuggets; the latter, however, rarely weighs as much as half an ounce: an average yield, perhaps, might give from 2 to 3 grm. to the metrical ton.

Mines of Janca.—Six leagues from the creek of Culebras, at the mouth of the river Santa, lies the estate of Cusmo, and three leagues inland from the latter are situated the mines and hamlet

of Janca. The former are but a few metres deep; the vein of ferruginous and auriferous quartz is intruded into slightly micaceous syenite, runs from north to south, and is almost vertical. One league distance from the above are other pits, which have been worked in the last century. The mineral is composed of ferruginous quartz, and the formation of the ridge micaceous syenite.

Gold in these mines is extremely argentiferous. A specimen of quartz taken from the upper part of the shaft yielded—gold 41 grm., silver 104 grm. to the metrical ton. A specimen taken from another shaft yielded—gold 78 grm., silver 63 grm. to the metrical ton. A specimen of much richer quality, formed of auriferous oxide of iron with friable quartz—a sort of mass in the middle of the lode—gave as much as—gold 114 grm., silver 90 grm. to the metrical ton.

Gold mineral of Chuquia.—Shafts completely abandoned, and for the most part in ruins, exist at a spot called Chuquia, on the northern side of the township of Mato, in the province of Huaylas. Some of the pits show traces of having been extensively worked, while others are but commenced. Gold is found in small quantities in pyrites, oxide of iron, and auriferous quartz; for the most part the gold is not only not visible at sight, but cannot even be discerned with a magnifying glass: the specimens vary from 5 to 50 grm. to the metrical ton.

Gold deposits in the district of Huaylas, in the same province of Huaylas, in the department of Ancash, are, in addition to silver mines and several auriferous hills, known by the names of Huanca, Toca, Macon, and Milagro. The mineral is composed of pyrites, copper pyrites, limonite, chlorite, kyanite, and quartz, more or less ferruginous. The above, for the most part, are not very productive of gold, but one specimen of pyrites, with copper pyrites, from Toca, gave 35 grm. to the metrical ton. Six specimens from Macon varied from 20 to 70 grm. to the metrical ton, and five from the ridge of Huanca 5 to 10 grm. to the metrical ton.

Gold Mine of Quillo.—Close to the village of Casma, in a direction N.E.E. to S.W.W., is the gorge of Quillo, through which runs the road from Casma to Yuncay. The mineral is composed of rich quartz, somewhat ferruginous, with reddish felspar and chloritic talc, a variety of protogine, which are found in masses presenting yellow and green shades. The gold is visible to the eye in the smaller veins of quartz with oxide of iron, and the mineral in general yields an average of 60 grm. to the metrical ton.

Mine of Huancoy.—Shafts from which gold has been extracted exist in the vicinity of Huancoy, in the province of Santa. The veins consist of quartz, with oxide of iron, which have been intruded in syenite rock. The mineral is poor enough, although in some places gold is visible to the eye. Specimens have, in no instances, given more than 20 grm. of gold to the metrical ton.

Gold Beds of Pamploma.—The mineral is found near the confluence of the rivers Barranca and Gorgor; the mineral yields gold as well as lead.

Minerals in the Department of Anchas in which Gold is associated with other Metals.—In the silver mine of Santa Rosa, in the district of Recuay, gold in no insignificant proportion is associated with sulphuret of lead; in the shaft of Balona, with argentiferous suphuret of lead, and in pyrites with bournonite; in the mine of Mercedes, with antimony, with panabase, and blende; in San Bartolomé, with agentiferous jamesonite; in San Augustin gold occurs in argentiferous blende with pyrites; in Llaccha with blende, agentiferous blende, and sulphuret of lead with bournonite; in the mines of Toma and Huerta, in sulphuret of lead with anglesite.

In the minerals of the mine Huaylas, in the district of Macate, gold is found in argentiferous limonite and argentiferous blende.

In the several minerals in the district of Aija, in the province of Huaráz, the gold yield is from 20·8 to 31·2 grm. to the metrical ton. The minerals are jamesonite, with anglesite and argentiferous sulphuret of lead, in the ridge Huayhuash; pyrites, with mispikel, in the mine of Huancarama; and panabase, with mispikel, in the pits of Yanahuanca. Among the auriferous minerals of the province of Cayutamba may be noted pure silver, with sulphuret of lead in the mine of Rosario de Auguimarca, and sulphuret of lead with silver panabase and copper pyrites in the mine of Santa Rosa.

No doubt other minerals in the department of Ancash, which have not been tested, contain gold in more or less abundance.

Department of Huánuco.

The department of Huánuco, although not very productive of gold, contains auriferous deposits, which should not escape the notice of the miner.

Washings of Chuquibamba.—The river Marãnon divides the town of Chuquibamba, the quarters of which are joined by a bridge. At this point the river becomes much narrower, running between escarped banks of talcose slate, which latter is the predominating geological formation in the district.

In past times Chuquibamba was well known for its gold-washings, and on both sides of the river there are remains of gold pits, which were no doubt extensively worked. The pits are excavated in talcose slate, which rests upon a formation of alluvial drift.

In the last century an attempt was made to divert the bed of the river, with the view of procuring gold from the mud, and remains of constructions for this purpose still exist. An American, some 50 years since, once made a similar attempt, but died before carrying out his project.

A few years ago the same operations were finally completed, but so small a quantity of gold was obtained that the undertaking was a complete failure. The works at Chuquibamba are now entirely deserted, except by the Indians in the neighbourhood. Their labours, however, are attended by insignificant results.

Pits of Raín.—Auriferous soil is met with on the left bank of the river Marãnon, some four leagues from the hamlet of Chavinillo, at a spot called Raín. The above have scarcely ever been explored, but in a specimen of mineral, composed of a conglomerate of limonite, detritus of talcose slate, with small fragments of bones, gold was distinctly visible.

Mine of Boca de Sapo.—In the gorge near the town of Tucapa, near the town of Huallanca, the mineral is of a yellowish-brown colour, composed of quartzose rock with cavities, and associated with oxide of iron; the mineral yields 32 grm. of gold to the metrical ton.

Gold Soil of Jesus, in the Province of Dos de Majo.—About a quarter of a league from the village of Jesus, opposite the mineral springs and close to the river, are mounds of auriferous soil, which seem to have been heaped up for washing by the Indians in former ages. Gold mines, apparently of some importance, have formerly been worked at a spot called Puelles, something less than a league from Huánuco, and immediately opposite the bridge of Huayapampa; also at Mamayaco, where the veins are most productive, while near the latter there are very considerable deposits of copper, also containing gold. At Cani and Pancar, four leagues from Huánuco, there are ridges which should be highly productive of gold, to judge from the remains of the pits now in disuse.

Gold in the Districts of Chinchas and Panao.—In the pasture lands of Yanamugui, on the estate of Chinchas, are mines now in disuse, of which the mineral gives 52 grm. to the metrical ton; and in a stream, on the road from Huánuco to Muña and Chaglla, nuggets have occasionally been found of fair size and weight.

Washings and Veins of Gold in the Gorge of Cayumba.—The Cayumba, an affluent of the Huallaga, falls into the latter between the rivers Chinchas and Monzon, in the gorge of Cayumba. The auriferous soil is extensive, and near the mouth of the river the washings are of importance. Rich veins of purish gold are met with at the head of the gorge, of which local tradition gives somewhat fabulous accounts in respect of the production of gold in former times. Auriferous mineral is almost universal in the department of Huánuco—ore composed of pyrites, azurite, argentiferous panabase, malachite, &c.—often yielding as much as 35 grm. to the metrical ton.

Department of Junin.

Although extremely productive in silver, is very much less so as regards gold. The latter is found in the sands of most of the rivers, as well as in sparse veins of quartz and pyrites of small value. Gold in almost imperceptible quantities is found in all the streams arising in the Eastern Cordillera, which, when united, forms the river Pirené. The principal auriferous streams are the Oxabamba, the Pancartambo, the Chanchamayo, the Tulumayo, and the Pangoa. The gold, which is brought down by the water, is derived from quartz veins which traverse the great slate formation

and crystalline rocks of the Cordillera; the gold, however, is in such small quantities that the extraction is not attended with profit.

Gold Mines of Cerro de Pasco.—Several gold mines exist at Quínua, two leagues from Cerro de Pasco, as well as at Chiqunin and Huanmaranca, which lie in the neighbouring heights; the principal mine, Chuquitambo, being at a great elevation. The geological formation of these ridges is gravelly sand, of a hardish consistency. The auriferous mineral is composed of cubic pyrites, associated with copper mineral, showing green stains of carbonate of copper; pyrites are also met with in slate formations in the same ridge. The mines have been worked for many years, and the yield of gold averages from 31 to 52 grm. to the metrical ton.

Mines of Mosca.—Auriferous quartz veins occur in a talcose slate in the heights of Chancayan, near the village of Mosca, in the district of Huariaca, in the province of Cerro de Pasco, but the gold is so much mixed with silver as to largely diminish the value of the former.

Mines of Pancamarca.—Auriferous quartz, with earthy limonite, occurs at Pancamarca, in the district of Huasahusi, in the province of Tarma.

Mine of Moracoche.—Near the mineral works of Moracoche, in the district of Yauli, in the province of Tarma, is a ridge called Nuevo Potosi. At the base of the latter in a crust of metamorphic sand. Stretching to the mouth of the lagoon lies a gold deposit, in a vein of quartz and pyrites; the above was extensively worked in the last century.

Gold in the Argentiferous Mineral of the District of Yauli.—Pure gold, as well as gold mixed with argentiferous mineral, is met with in considerable quantities in several mines in the district of Yauli, the principal of which are Florencio, Maria, Esmeralda, Union, and Volcan. Volcan is the most productive, more especially when the argentiferous mineral is accompanied by quartz with stains indicative of the presence of oxide of manganese.

Department of Lima.

Gold Deposits in the Valley of Lurin and in the Vicinity of Lima and Ancon.—Gold exists in small quantities in all the hills which line the seaboard of Peru. In the department of Lima gold is encountered in quartz seams, in syenite and granite formations, as well as in all the gorges running down to the sea. For example, in the gorge or "mala" there are indications of gold near Calango, in the valley of Lurin, at Manchay, and Sieneguilla.

In the immediate neighbourhood of Lurin gold has been extracted in several localities. There is a shaft near Caleras, another in a low ridge called Las Ramas, and there are traces of former works behind the ridge of Amancaes, while from the hill of San Cristobal, overhanging the capital, specimens have been obtained which clearly show the presence of gold. The mineral in the valley of

Ancon is of a poor quality, composed of quartz with oxide of iron, and with green stains of carbonate and silicate of copper.

Mines in the Ridge of Sanú.—This well-known ridge is situated four leagues from the town of Huacho. In 1851 some auriferous quartz seams were discovered, which induced thousands of persons to repair to the ridge, imagining that a new California had been discovered. The proportion of gold is insignificant and is difficult of extraction. Much disappointment ensued, and the deposits have been abandoned. Some specimens of mineral have yielded as much as 32 grm. to the metrical ton, a ratio which would probably not be maintained upon further experiments.

Gold in Piedras Gordas.—In a ridge at this spot, on the road between Lima and Ancon, faint traces of gold occur in seams of ferruginous quartz, with stains of silicate of copper; and in a specimen of porous quartz, called in the locality "Quijo podrido," the presence of gold is distinctly apparent.

Gold Mine of Corimina.—In the province of Canta, in the district of Atavillos, the mineral is composed of peroxide of iron, found with metamorphic and ferruginous porous quartz, and contains both gold and silver; the yield averages 15 grm. to the metrical ton.

Gold Mines of Huayo.—In the district of Huamantanga, in the province of Canta, but now abandoned, the mineral from the mine of Nuestra Señora del Carmen, composed of yellow-reddish limonite of an earthy character, and mixed with quartz, yielded 20 grm. to the metrical ton. Another specimen from the same mine, composed of limonite with crystallised quartz, gave the same result. Mineral from the mine of Nuestro Señor San José, composed of porous quartz with yellow earthy limonite, yielded 3 grm. to the metrical ton.

The mines on the estate of Carretavia are situated in the district of Pativilca, in the province of Chancay, much worked in former times, but at present deserted. The gold occurs in quartz, which has a greasy appearance, due to the presence of talc, the quartz presents small cavities, lined, with oxide of iron and manganese the mineral gave 10 grm. of gold to the metrical ton.

Department of Ica.

Gold Mines in the Neighbourhood of Ica.—At three leagues distance from Ica gold occurs in various minerals—compact iron, ore, metamorphic slate, and hematite—in places associated with black hornblende of a radiated structure, with green stains of silicate of copper, and other minerals, a conglomerate of the above, with small proportions of limonite and oxide of iron. The latter mineral is interesting from a geological point of view, owing to the association of gold with hematite, which accounts for the presence of gold in the red detritus, the refuse of various minerals.

Gold associated with Copper.—In the copper mines near Ica, of Canza, Tigui, and Yanca, cuprite, chalcosine, chalcopyrites, phillipsite, atacamite, malachite, azurite, and cuprocalcite, with

small quantities of limonite are frequently associated with auriferous quartz.

Mineral Ridge of Cinco Conces.—Gold is found in similar conditions in the copper mineral.

Gold Mines of Nazca.—Near Nazca is situated the auriferous ridge of Cerro Blanco, containing quartz veins with oxide of iron. The gold is not visible to the eye; several experiments of the mineral have yielded 22 grm. to the metrical ton. On the estate of San Geronimo, not far from Nazca and the village of Santa Lucia, gold deposits exist, but have never been examined.

Department of Huancavelica.

This department is not really an auriferous district, but gold exists in several localities.

Ridge of Poteoche.—In this ridge, near the town of Huancavelica, are mines of gold, silver, and copper ore taken from the mine of Santos Innocentes, composed of oxide of iron with some azurite and malachite, yielded 31 grm. of gold to the metrical ton.

Mines of Julcani.—Eight leagues from the town of Huancavelica, and close to the town of Lircay, are a number of pits, in which the metallic mineral forms veins, or rather layers, which alternate with vertical strata of diorite rock of a stratified appearance. The mines of Julcani are silver mines, but in the central ridge, at a considerable altitude, lie the gold deposits of Corihuacta, and gold is distinctly visible in porous quartz, with stains of oxide of iron.

Mines of Lircay.—Gold is also found in small quantities in these silver mines, but only in the higher parts of the ridge.

Gold Mines of Coris.—Specimens of mineral taken from these mines are unusually rich in gold. The mineral is composed of dendrites and phylites, agglomerated with ferruginous quartzose rock. The above have been but little explored, and no exact data exist of the yield of the mineral.

Department of Ayacucho.

Numerous gold mines are still in existence in this department. At the beginning of the century no less than 41 mines were being worked in the following order:—5 in the province of Lucanas, 18 in that of Parina, 4 in Cangallo, and 14 in the province of Huanta. They are now, however, almost entirely abandoned, and little is known of their exact locality. The best known and most important mines are those situated in the Chaypi district and the Luicho hills.

Chaypi Gold Mines.—In the neighbourhood of the village of Chaypi, district of Pullo Parinacochas province, rise the ranges of Pullo Chaypi and Tocota, which contain many gold mines, abandoned nowadays. Gold is found in quartz, forming considerable veins in the granite and syenite rock, of which almost all the mountains of that region consist. Some specimens tend to show

a proportion of three to five ounces of gold to the "cagon" (local weight = 60 quintals), but doubtless working on a large scale would produce better results.

Local tradition makes mention of 30 mines—the best known San Luis and Muchadero—worked during more than 80 years; the former, situated four leagues south of Chaypi, in the immediate vicinity of that village. Reports of engineers state that, although no gold is found on the surface, the lodes may give 31 to 52 grm. of gold to the ton of ore.

In former years the mine of Ancocola, now abandoned, and situated three leagues from Chaypi, in the Pullo direction, produced considerable quantities of gold. It is stated that a single lode of six arrobas (1 arroba = 25 lbs.) of ore gave 90 ounces of pure metal. Unfortunately water, the enemy of most mining undertakings, flooded the galleries and work stopped. The same may be said of Lambramani, two leagues north, and Yamcana, the same distance south of Chaypi, and the diggings of Pisüaja; lastly, the mine of Tocota contains a lode one mètre thick, and cannot be worked for want of ventilation. Many abandoned mines exist in this region, such as Mollehuaco, Great Tocota, San Andrea Triumfo, Santa Rosa, &c.—doubtless a most auriferous region—where during the rainy season the mountain torrents carry down and leave, in the interstices of the rocks and stones, gold flakes and small nuggets. It is to be anticipated that the above-mentioned province will become an important mining centre. The climate is temperate and healthy, and the distance from the port of Chala comparatively short.

Otoca Gold Mines.—Near the head waters of the Ingenio river, in the province of Lucanas and in the neighbourhood of the villages of Otoca and Chariucho, may still be seen the ruins of what, in the days of the Spanish dominion, was one of the richest mining centres—in some districts the tax (quints) levied in 1670-73 having reached the annual sum of 80,000 dol.

Cerro de Luicho Gold Mines.—About two leagues due north-west from Pausa, former capital of the Parinacochas province, and forming a part of the spur of the Alcallara range, belonging to the Central or Huansa Cordillera, and which separates the valleys of the Cotahuasi and Lampa rivers, rises the gold mountain of Luicho. Although the distance, as the crow flies, from Pausa is but two leagues, yet more than six hours must be spent in travelling over very rough and broken ground. The geological formation of Luicho is gravelly, of a metamorphic character, similar to that of Huallura, with the difference that, whereas in Huallura the strata are nearly vertical, at Luicho they run almost horizontal. The gravelly conglomerate is about 800 mètres thick—the lower limit being about 2,600 mètres, and the top of the hill measuring 3,400 metres, = 11,000 feet, above the level of the sea. The Cerro de Luicho contains numerous mines, now no longer worked, such as Choclon, San Augustin, Santa Barbara, &c. Unfortunately the earthquake of August, 1868, destroyed most of the shafts and galleries, and little remains to show the far-famed riches of the gold mountain.

Besides the lodes, there exist also diggings of alluvial gold; but late investigations brought to light no flakes or nuggets. Nothing appeared but gold dust in small quantities, mixed with much sand. The alluvium consists of sand, pebbles, shingle, and large stones, and rests immediately upon the metamorphic rock. In 1876 a company was formed to work these diggings. Water was brought from Ospaña, 18 miles distant, by means of an aqueduct, and, according to calculations, an average of 94 grm. of gold to the metric ton of 1,000 kilos. was anticipated. The results obtained produced, however, but 10 grm. to the ton; and the works were abandoned, notwithstanding that even the reduced findings of gold left ample margin for profit.

Maran gold and silver mines lie three leagues south of Pausa, on the opposite bank of the Lampa river. The now abandoned mine of Esperanza is entered from a bluff about 45 feet above the level of the river. The lode runs almost perpendicular in an easterly direction, and increases in thickness towards the bottom of the shaft. The rock is porpyhry, and the metal is encased in sulphate of baryta and quartz, which, being analysed, would show a proportion of 6 marks (4 ounces to the mark) of silver and 6 ounces of gold to the load of 60 quintals.

Gold Diggings of Huauta.—The valleys of Simariba and Acon, belonging to these provinces, are auriferous, but the superstition of the Indian tribes prevent works being established—*i.e.*, they believe that to extract the gold would destroy their crops, and cause them to perish by starvation.

Department of Cuzco.

The province of Pancartambo is the region whence the ancient Peruvians undoubtedly drew the enormous quantities of metal found in the capital of the Incas, by the Spaniards, principally the district watered by the Mapacho, from its head waters near Ocongate, down to Pancartambo, the chief town of the province. The predominent rock is slate, varying in different spots from talcose to micaceous, even clay slate merging into stiff clay overlying the slate.

Gold is almost always found in quartz. The latter is of varied aspect; more or less white in colour, and compact, or again porous, and stained with limonite: small veins of the above, and often very rich in gold, run through the slate. Towards the sources of the Mapacho, also known as Ocongate or Pancartambo river, according to the districts traversed, we find the following mines:—

Huiscapata gold mine, situated on the right bank of the Ocongate, on a slight declivity near the village of the same name. The formation is argilaceous slate, almost alluvial in appearance, and very friable. The principal shaft, sunk at a point where several lodes cross, is now blocked up, owing to the falling in of the superstructure: the lodes run east and west, and consist of porous quartz and oxide of iron. The Huiscapata mine enjoyed great prosperity during a period reaching over 80 years. A short time

since 10 yards of lode, being laid bare, and much gold in sight, a torrent of water flooded the mine in a few hours. A shaft was sunk to drain the same, but did not reach the flooded part. The owner sunk another shaft from a different point, but not being an engineer by profession, spent his capital to little purpose, being met by landslips at every step. Subsequent attempts to cut the vein in an easterly direction, opinion gained ground that the mine cannot be drained, the flooded galleries lying below the level of the river.

Carhuays Gold Mines.—These lie on the right bank of the river, within less than a league from Ocongate. This mine, recently discovered, is perhaps the only undertaking in permanent working order in the Pancartambo district. The auriferous quartz is very white, rather compact, and slightly translucent. It rarely shows traces of oxide of iron, but sometimes stains of sulphate of copper appear, and even grains of native copper are frequently encountered. The quartz does not form a true vein, but exists as a lode running parallel with the strata of argillaceous, talcose, and ferruginous slate. The lode of auriferous quartz runs almost horizontal in a N.W.S.E. direction, and is from 20 to 25 centimètres thick. The amalgamating works in the neighbourhood crush and work up an average of only 50 lbs. of ore daily, which yield about 12 kilos. 5 gr. of gold to the metric ton, or 150 marks (4 ounces to the mark) to the "cagon" of 60 quintals. The above is the maximum rate, great variations being observed in the quality of the ore. There are several other mines in the Pancartambo valley containing rich lodes of auriferous quartz, but which cannot now be worked, owing to infiltrations of water at a depth of very few mètres, and the heavy rains. On the left bank of the Pancartambo stream, downwards two leagues from Ocongate, where the river Clalca falls into the Pancartambo, can still be seen the ruins of the amalgamating works of the Clalca mines, situated three leagues lower down on the right bank, and now abandoned. Following the right bank we find the cañon (ravine) of Machaypata, the scene of diggings which have made the fortunes of many miners At Umãna, near the Alcumbrera range, there are not only diggings, but veins of auriferous quartz, which show gold of 23 carat. The best known are the washings of Lahuisto, now abandoned. Gold has also been found in beds of torrents and rivulets falling into the Mapacho, in the neighbourhood of Casipata, three leagues south-east of Pancartambo.

Chiripugnio Gold Mine.—This mine in the Clalca district is distant about four leagues from Pancartambo, on the bank of the Churo river. Work was begun upon a thin lode of quartz, which increased to a width of 10 centimètres, crossed in various directions by other lodes about 6 centimètres deep, consisting of white compact quartz devoid of pyrites, but with no gold in sight; the principal lode traversed beds of hard crystalline slate. The owner constructed a dam wherewith to wash the auriferous sand covering the top of the hill, but a landslip ensued, and the work had to be abandoned.

Inca Cancha Gold Mines.—The range bearing this name is situated about two leagues from Chiripugnio, between the rivers Quiseriuma and Guañamayo, tributaries of the Churo river. The formation is argillaceous slate, shaling into thin flakes, with many faults. The auriferous quartz runs in irregular lodes, narrow or widening into pockets, filling the interstices of the slate. The gold from the pockets has to a great extent been extracted, and the best-known mines, now abandoned, and which at different periods produced a quantity of gold, estimated at 3,000,000 soles, are La Descubridova, Merced, Santa Cruz, &c. Traces can be seen of canals, ditches, and troughs for washing the gold. Copper implements, such as chisels, dies, picks, &c., have often been found, and tend to show that the existence of this gold mountain was known at a period anterior to the Spanish conquest; but the absence of traces of an aqueduct along the upper part of the range renders it probable that the inhabitants only washed gold during the rainy season.

Churo Gold Diggings.—Reddish deposits of alluvial soil exist on either bank of the river, between Clalca and Pancartambo, about three leagues from the former. These beds extend to the foot of the Inca Cancha mountain, and form the bed of the Gueñnamayo creek, whence much gold has been extracted, together with ancient utensils, implements, &c. Recently the natives have been washing small portions of this earth, and two sample loads taken from the poorest parts produced nuggets, averaging respectively 5 and 12 ozs. of metal to the "cagon" (60 quintals) of sand.

Gold Diggings of the Pancartambo Montana, i.e., Wooded Region.—The province of Pancartambo comprises auriferous districts on the eastern slope of the Cordillera. The deposits consist mainly of alluvial soil and sand brought down by the rivers. Although the diggings extend over many miles, the region has been little explored, and the work confined to the neighbourhood of watercourses. The deposits would appear to extend in a N.N.E. direction, near the Huacaca and Pucaía, the headwaters of the Pilcopata river. The natives work the sand in troughs, and barter the produce in exchange for goods; but it may be said that the region above mentioned is practically unexplored.

Cerro Carnante Gold Mines.—Works on these mines have been stopped, owing to repeated earthquakes and landslips; but the "Gold mountain" enjoyed fame during the Spanish conquest, and, even of late years, enterprising miners have sunk no small capital in this undertaking.

Gold Mines of the Chumbivilcas Province.—There exist diggings near the Condoray range, in the Colquemayca district, from which as much as 2 arrobas, = 50 lbs., of pure metal have been washed in the course of a twelvemonth. The gold is very pure, and is sold on the spot at rates averaging 20 dol. an ounce.

Paruro Gold Mines.—In this district various gold mines, especially at a spot called Virona, near Coyobamba, have been worked at different places, and are now abandoned, owing to the friable character of the rock occasioning frequent landslips. Decomposed

diorite forms the base of the mines, resting upon metamorphic rock.

Department of Apurimac.

This department was constituted some years since by separating the province of Andahuaylas from the department of Ayamcho, and joining the provinces of Abancay, Cotabamba, Aymaraes, and Antobamba, in the department of Cuzco. Apurimac contains several important mines and diggings, such as Sañayer, Carpani, Muya-Muya, Milmienna, &c., for the most part abandoned.

Gold Diggings of Huayllaripa.—The inhabitants of this village are busied almost exclusively with washing the auriferous sand accumulated on the left bank of the Pachachaca river, four leagues distant from Challhuama, chief town of the Aymaraes province. Huayllaripa lies in the centre of a depression of land, surrounded by alluvial deposits of no small extent. Descending towards the village, quantities of gravel conglomerate; rolled stones, such as porphyry, syenite, and quartz, cover the surface. The former predominates in an easterly direction, and the gravel is concentrated near the bottom of ravines. The auriferous alluvial soil consists of clay, somewhat ferruginous, interspersed with rolled stones and limonite; and the best known diggings, three in number, are Casamina (north), Santa Rosa (north-west), and Pampamima (south and east). The two latter alone are now worked—Santa Rosa all the year round, and the others at seasons when water is abundant. Gold washing at Huayllaripa is carried on in the most primitive manner, and with consequent waste. Water brought to the top of the bed runs in rills over the portions where limonite predominates, and, falling from a certain height, carries with it the auriferous sand, leaving vertical furrows in the mass of alluvium. These furrows communicate with canals on an inclined plane, in which are placed hurdles, covered with the roots of a grass called "Ichu," and the water rushing down these canals leaves flakes of gold among the roots, which are then collected and placed in troughs to be washed. A further washing is accomplished by water driven through a canal lined with sheep's fleeces, and by this means any gold which may have escaped the preliminary operation is extracted. The fleeces are then washed a third time, and the gold amalgamated with quicksilver. Any excess of the latter metal is disposed of by compression on cloths. These pellets are now calcined, the mercury disappears, and pure metal remains. Gold from Santa Rosa and Pampamima is of a bright yellow colour, and very pure; that from Clasamina being dull, and of a less good quality, and is found in small flakes. The contrary occurs at Pampamima, where the metal appears in the shape of nuggets, weighing from half a drachm to 20 grm. (two-thirds of an ounce Troy).

The mines of the Huayllaripa district are more actively worked during the first three months of the year, *i.e.*, the rainy season, the

production of gold rising in proportion with the quantity of water at the disposal of the miners.

Gold Diggings of Ayahuaya.—This village is situated in the province of Antobamba, 10½ leagues from Challhuama, and is surrounded by diggings which have doubtless been worked by the ancient Peruvians, to judge by the ruins of an Inca settlement still extant. The geological formation is similar to that of the Huayllaripa region, but the subsoil is lighter and more friable. The principal diggings are Lambruschayoe and Marcacahuana, worked only by a few natives, and with a very insignificant result, being only 250 ounces a year. Considering the extent of the diggings—and it must be noted that if, with such inefficient efforts, the result above mentioned are obtained—the profits arising from scientific work may easily be conceived to be considerable.

Washings of Auccampa.—The formation, consisting almost exclusively of limonite, or hydrated peroxide of iron, shows a proportion of 2·2 grm. (30·86 grains Troy) to the metric ton.

The Remaining Diggings in this Province.—High up on the Tahara river banks extensive plateaux are known to exist. The country is, however, almost entirely uninhabited, owing to the extremely cold temperature.

Pachachaca Diggings.—The river above-named rolls much auriferous sand, especially in the upper portions, diminishing as the current becomes slighter, and no longer carries the heavy particles of metal.

Department of Arequipa.

This department may be considered one of the richest in the territory of Peru, more especially the province of Union, which may be said to rest upon an unbroken stratum of auriferous ore.

Huayllura Mines.—Are situated in the Sengla district, near the Alcallara range. In the years 1829 and 1830 these mines produced enormous quantities of metal, even massive gold, and their reputation induced the settlement of some 14,000 miners in the neighbourhood. The strata, much broken and irregular, present the aspect of quartzose gravel, almost vertical, in places, with metamorphic rock protruding. Of late years work has been carried on by isolated miners washing small quantities of ore, not exceeding 150 lbs. of ore per diem, with poor results. The principal lode of the Copaeabona mine being almost vertical, it is believed that opening a shaft lower down would produce undoubted profit. Samples show grey copper ore, with no gold in sight; but, on analysis, present 8 ozs. of gold, 36 marks of silver (4 ozs. to the mark), and 7 per cent. of copper to the "cagon" (60 quintals of ore).

Palumadera Gold Mines.—This mining centre lies little less than a league from Huayllura, 12,600 feet above the level of the sea. The geological formation is very similar, and the lodes run almost vertical in an east and west inclination. The mine of Valencia shows gold in sight, and would offer profit. Other

shafts in the neighbourhood indicate former work. In this district, however, water is so scarce that work must necessarily be interrupted for long periods: the ore, to be crushed and washed, is carried on mules to a plateaux six miles distant. Specimens analysed give a proportion of 16 ozs. of gold to the "cagon" (60 quintals), equal to 166·6 grm. (or $5\frac{1}{2}$ ozs.) of gold to the metric ton. Gold is found here in quartzose gravel, or quartzile combined with small crystals. The best-known mines in the two regions of Huayllura and Palmadera are San Roman, Santa Rosa, Capacabana, Trinidad, Rosario, Santa José, Alvarado, Jago Pucullani, &c., &c.

Montesclaros Gold Mines.—These well-known mines were worked during last century with great profit. In 1783 a landslip, occasioned by an earthquake, caused the main shaft to fall in. At subsequent periods attempts were made to clear the débris, but with no success. Recently a national company was started, with the help of foreign capital, principally English, and it is understood that great results may be anticipated, with improved machinery. Specimen ore shows a proportion of $8\frac{1}{2}$ ozs. of pure metal to the "cagon." The strata at Montesclaras differ in appearance and position from those of Huayallura and Palmederas. Gravel is wholly absent; but, on the other hand, dark slate and eruptive rocks, lava, porphyritic trachyte, &c., are of frequent occurrence. The lode runs almost horizontal, and consists of quartz, with copper pyrites and sulphate of baryta. Besides the three above-mentioned districts, numerous gold mines exist, and are worked by private enterprise; but little is known even of their exact locality, on account of the difficult communication in an almost uninhabited province.

Picha Gold Mine.—On the right bank of the Cotahuasi, two leagues from Chaccana, the specimen of lode extracted consists mainly of auriferous sulphuret of lead, and runs vertically through dioritic rock. On analysis it was found to contain 41 grm. of gold and 492 grm. of silver to the metric ton, lead being prevalent to the extent of 50 per cent.

Huanzo Gold Mines.—Near the village of Antobamba, in the Huaynacota district, along the Huanzo range, are traces of now abandoned gold mines. Gold is here found incrusted in copper ore; these mines are not worked owing to the numerous and dangerous landslips, caused by the rapid current of the river over a bed of loose stones. An old shaft opens above the level of the river, and the natives, when driven by necessity, extract small portions of ore by means of shovels attached to long poles, not venturing to enter the shaft, all props having long disappeared. The ore is limonite, containing native gold almost pure, and is washed in troughs.

Pararapa Gold Mines.—Also in the Huaynacota district, three leagues from Cotahuasi, upon the "Puna," there is a high plateau. An important lode has been worked at distinct periods, but is now abandoned. Recently one day's work produced over 2 ozs. of

gold, but no progress could be made on account of the insecure condition of the galleries.

Huayllapana Gold Mines.—This mining region adjoins the district of Pampamarca, and contains many mines, but not scientifically worked, whence the natives draw small quantities of gold by destroying the supports of the galleries, thus causing much damage. The gold is far from pure, containing, as it does, 25 per cent. of silver.

Coxchic Gold Mines.—Some five leagues from Huaynacota, and four leagues from Huanzo, we find the high plateau of Coxchic containing numerous lodes still untouched, and fine pasture ground for lamas.

Ocacuro Gold Mines.—In the Alca district, some eight leagues from the village of the same name, several mines and crushing mills worked by hand produce fair profits.

Gold Mines in the Condesnegos Province.—Near Orcapampa, in the Salamanca district, the best known mines are Ararihua and Guiquimbo. They are now abandoned, the extreme hardness of the ore extracted leaving too small profits.

Gold Mines of the Province of Arequipa.—Although Arequipa cannot be considered among the most auriferous territories of Peru, some valuable mining property, however, yet exists.

Cachenda Ravine.—Specimens of the ore consist of silicate of iron stained with copper. Gold exists in small proportions, which render washing to extract the precious metal from the crushed ore an expensive operation, the proportion of gold reaching 9 ozs. to the metric ton: quartzose rock with copper stains, analysed, shows 8 ozs. of gold to the ton.

Vitor Gold Mine.—Some six leagues from Vitor, towards Siguas, we find a mine remarkable for the quality of the ore—reddish aragonite, with crystals of quartz, in which the gold protrudes in small flakes and great abundance.

Guisharani and Huasamayo Mines.—These mines have not been extensively worked, but the ore is undoubtedly of good quality. Crushing mills were at work at Guisharani, on the left bank of the river, but are now abandoned.

Gold Mines of the Province of Camana.—This province contains several mines, especially in the Achatayhua and Huaun-huaun ranges; in the latter the Santa Rita mine is the best known. Four leagues distant from the port of Chala, the Lucmila works produce good results, but by far the richest portion of the province lies in the Posco region.

Gold Mines of Posco.—This district, although inefficiently explored as yet, has been worked during many years. The principal mines lie some nine leagues from Caraneli, in the direction of Ocoña. The shafts are sunk very deep, and numerous galleries cross the same lode, which inclines in an easterly direction. Veins of quartz are found in a sagenite rock, presenting a somewhat talcose aspect. The ravine of Posco is very narrow, and forms the bed of a small torrent, which feeds the hand-mills for

crushing the ore. The gold generally drawn from Posco is of a whitish colour and not very pure. Very good specimens have, however, been obtained from other mines in the same district.

Department of Puno.

Two provinces only of the department of Puno contain gold mines of any importance—Carabaya and Sandia, on the furthest southern boundary of Peru, close to the Bolivian frontier, and separated from the rest of the Republic by a high range of snow-clad peaks, Illimani and Sorata: no roads exist, such tracks and paths as do not disappear under brushwood are too steep to be traversed otherwise than on foot. The gold mines and diggings of Carabaya are mentioned by ancient historians as the origin of the Inca riches, among which a gigantic nugget, weighing 4 arrobas (1 arroba = 25 lbs.), extracted from the diggings of the Inaharaya ravine, and another of the shape of a man's head seen by the historian Garcilaso.

Gold Mines of the Province of Sandia.—In this province, formed of portions of the Carabaya and Huancané districts, gold is found not only in quartzose formations, but also in sandy alluvial deposits. The principal mines and diggings are as follows:—

Gold Mines of the Poto District.—This district lies on the southern slope of the eastern range of the Cordillera. The climate is very cold, owing to the great height above the level of the sea, near the source of the Crucero river. The gold is found disseminated in strata of a greyish colour, consisting of quartzose rock, slate, and metamorphic sandstone, together with limestone, distinguished by its colour from other auriferous deposits, which are generally reddish in appearance. These deposits extend from the Nevados of Conumi and Ananea towards the village of Poto, covering some three leagues of ground. No large nuggets have been found in this region, the largest weighing about 1 drachm. Work is extremely difficult and costly for want of water, notwithstanding the proximity of snow-covered ranges of mountains. A small lake situated at the foot of the Conumi provides water carried along an aqueduct a distance of three leagues to the "Cocha de Pampa Blanca" lagoon, which feeds two other lagoons, and provides the necessary water. As a consequence of this scarcity, a system differing from that in use in other provinces has had to be adopted. Several shafts are sunk at short distances from each other. Apertures are then made in the pillars, so that the different galleries shall communicate, and by degrees these are cut away, and the débris falls into a sort of canal, where the miners break the ore in small enough pieces to be carried down by the water—an operation repeated in the amalgamating works.

Ananea Gold Mines.—These mines are situated on a still higher level, some three leagues north-east of Poto, at an altitude of 5,120 mètres. The shafts of abandoned mines are filled with water turned into snow and ice. Lodes of quartz have been discovered in some dark-coloured rock protruding through the snow, and in

which gold appears in small flakes and in sight. The mines filling with water have been the cause of the abandonment of these rich deposits.

Aporoma Mining Region.—The principal mines of this region are San Geronimo, San Bernabé, San Juan, and Mirabella. Ample proof exists of the value of these mines in a fine road and an aqueduct six miles in length cut through the hard rock. Much gold has been extracted, and the depth of the shafts and consequent expense render working these mines unremunerative. Nevertheless, of late years isolated miners have returned to this district, which is situated on the slope dividing the rivers Machicamani and Pulipuli, which rise from the snow range and form the head-waters of the Inamvari.

Challuma Gold Diggings.—In the year 1859 some labourers sent by Señor Poblete de Coaza to gather "cascarilla," *i.e.*, bark of the guina tree, encountered numerous traces of gold in the sandy bed of this ravine. The news spread, and a prosperous settlement became the centre of commercial activity in this distant part of the Republic. The quantity of gold was so considerable that the pure metal used to be weighed for sale in large scales like any ordinary merchandise. The auriferous deposits discovered at that period lay for the most part in the valley of the Challuma river, and that of its affluent the Pucamayo. The diggings of Pusupunco, San Simon, Cangali, Cementino, and Altagracia, whence one trough containing 15 lbs. of sand produced 13 ozs. of gold, and lastly Quimsamayo, are the best known. Nuggets varying in weight from 27, 29, 36, and 40 ozs. have been found in the valley of the Pusupunco, at the settlements of Natividad, Tablahuasi, San Pedro, &c. The deposits vary in depth and appearance: the strata, containing arsenical iron pyrites and hematite, are generally found to contain much gold, sometimes in flakes, and even in large nuggets. Great variety naturally exists; sometimes the barren stratum is only two or three mètres thick, reaching also to the depth of 80 or 100 feet. The quality of the metal may be considered unusually fine, ranging over 23 carats. The proportion on assay is the following:—

Gold	96·46
Silver..	2·50
Copper	0·04
Iron	0·30

taken from a nugget weighing 10 grm. The method followed for working the diggings of Pucamayo and Challuma is somewhat primitive.

On the spot selected the brushwood is cut away, and the barren stratum removed by water-power. The auriferous deposits being laid bare, water is brought along an aqueduct from the river, terminating in a cistern provided with locks: the latter being filled, these are opened, and the torrent flows with considerable force along rills cut in the conglomerate, carrying away the sides, an operation assisted by workmen with picks and shovels. When a sufficient quantity of earth has been detached, all the larger

stones and pebbles are separated, and the residue brought to the mills to be carefully crushed and strained through fleeces, and the roots and fibre of a tree-fern known on the spot by the name of sano-sano. This operation is repeated until the sand, on minute examination, presents no longer any trace of metal.

Montebello Gold Mines.—Near the head-waters of the Pucamayo, a tributary of the Inamvari, lies Montebello, a mountain containing several mines of undoubted wealth. Another lode, called Sacramento, traverses the range in a S.E.N.W. direction, following the inclination of the strata of slate, which is the principal formation, and the third follows a ravine S.S.W. of the hill, and dips at an angle of 35°.

The quartz in this district presents varied aspects, sometimes pure white and compact. Other specimens show reddish stains of oxide of iron, but the most valuable quartz and also the most common, and which denotes the presence of a large proportion of gold, is that covered with blackish specks formed by arsenical pyrites. The value of the ore extracted is of course very unequal: quartz with no gold in sight crushed produces 60 to 120 grm. to the metric ton, whereas other lodes have given as much as 200 to 500 grm., equal to 1 pound of gold to the ton. A curious singularity of the ore of this region is the large proportion of iron, which, although not reaching 1 per cent., is yet larger than the amount observed in other parts of the Republic. Until lately the ore was crushed in small handmills and amalgamated with quicksilver. Subsequently a mill, with several stamp-heads worked by water-power, was set up at great cost owing to the difficulties of transport, and was only in operation a short time, repairs on the spot being out of the question, since the miners have returned to the antiquated system in use in most Peruvian mines.

Gold Diggings of the Huari-Huari River.—It may be said that all the rivers in the province of Sandia roll auriferous sands, the best known being the Pulipuli, Ccapacmayo, Pacchani, Challuma, and Inamvari. Miners unprovided with capital limit themselves to washing the sand in troughs containing about 15 lbs. During the dry season, that is to say from June to October, the volume of water diminishes, and immense sandbanks remain uncovered: the natives place flat stones along these spaces in a manner resembling the tiles of a roof and in the direction of the current, so that the water running between the same deposit the heavier flakes of gold in the interstices. This operation is an easy, inexpensive, and remunerative one. It has been calculated that on the banks of the Inamvari, a square vara (1 vara 32 inches) produces, more or less, 2 drachms of gold. The gold in this region is of superior quality, the following being the proportion observed:—

Gold	97·30
Silver..	2·40
Copper	0·03
Iron	0·05
Various	0·22
Total	100·00

Gold Mines of the Province of Carahaya.—It would appear that even the superficial soil of this province is traversed by veins of gold, but the districts which hitherto have produced the largest quantities of metal, whether gold dust, flakes, or nuggets, are Allachea, Ayapata, Juata, Caasa, and Usicayos.

In the district of Ayapata gold is extracted from diggings on the banks of the rivers Pignitiri and Cagatiri, tributaries of the Inamvari. Juata is known for the diggings of the Mucumayo, also a tributary of the Inamvari, where the nuggets attain a considerable size. Mention is made of a nugget found in 1851, weighing 49 ounces 7 drachms. The Caasa district is almost unexplored: the Antuino river becomes dry during the months of July and August, and the retreating waters leave uncovered large sand-banks, where the natives, mostly savages, extract what they can by primitive means. The Indian tribes are suspicious, and it may be said that miners enter this region at the peril of their lives. The cañon of Anccocala contains several mines almost entirely abandoned. In the district of Usicayos, the cañon Macho Cotuma has produced large quantities of gold, and the inhabitants also busy themselves in washing the sands of the Inamvari.

The province of Azaufaro is unexplored, but there is no reason to suppose that the characteristic signs of the existence of auriferous quartz are absent, or form an exception to the general condition of the country. In conclusion, it may be said that the entire subsoil of Peru presents an almost unbroken network of auriferous lodes. The obstacles to working the deposits are in some parts almost insuperable—want of water, inaccessible peaks, severe climate, and, lastly, total absence of internal communication, It is to be hoped, though, that within a few years a peaceful Government may bring about the commencement of an era of mining prosperity for this country.

(998 S & H—90 | 9 75)

Weights and Measures contained in the Report upon Gold Mines of Peru.

Cajon.	Tons, Spanish, of 920 Kilos.	Quintals.	Arrobas, 25 lbs.	Kilogrammes.	Lbs., Spanish Weight.	Marks.	Ounces.	Drachms, Spanish, $\frac{1}{16}$th of an Ounce.	Grains.	Grammes, French Weight.	Price of Gold in Francs. 1*l.* = 25 fr. 25 cents.
..	..	..	..	..	..	..	..	..	..	..	8,970,000
1	3	60	240	2,760	6,000	12,000	..	..	..	..	2,990,000
..	1	20	80	920	2,000	4,000	..	..	..	..	149,500
..	..	1	4	46	100	200	1,600	..	..	..	37,375
..	..	..	1	11·50	25	50	400	8,400	..	..	3,250
..	..	..	..	1	2·17	4·35	34·78	556·5	20,034	1,000	1,495
..	..	..	..	..	1	2	16	256	9,216	460	747·5
..	..	..	..	..	..	1	8	128	4,608	230	93·4
..	..	..	..	..	..	..	1	16	576	28·7	14·9
..	..	..	..	..	..	..	..	2·56	92·16	4·6	5·837
..	..	..	..	..	..	..	..	1	36	1·79	1·946
..	..	..	..	..	..	..	..	..	12	0·596	0·1625
..	..	..	..	..	..	..	..	..	1	0·05	3·25
..	..	..	..	..	..	..	..	..	..	1	

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No. 146.

Reference to Previous Report, Annual Series No. 346 (p. 13).

RUSSIA.

ODESSA.

Notes by Consul-General Sandwith on the Town of Novorossisk.

The Bay of Novorossisk, on the coast of the Northern Caucasus, has been brought into notice since the opening of the branch line connecting it with the railway running from Rostov to Vladikavkas. This branch line was opened in the early part of last year, and runs from a small town called Tikhoretskaya. Since that time what was an insignificant village has sprung up into a town, which now contains 8,000 inhabitants. The railway company, foreseeing the advantages which would accrue to a port lying just outside the Sea of Azov, and always open to navigation, has been most energetic in pushing on the works for facilitating shipping operations. The enterprising manager has caused two wooden piers to be run out, alongside of which steamers drawing 22 feet can load from trucks which run to the end of the piers. On one of these piers a high-level railway has been constructed in order that the grain may be shot direct into the ships' holds, and though the mechanism is as yet imperfect, it will doubtless soon be put in working order. Lines of rail have been laid down to form sidings along which magazines have been erected capable of storing 65,000 tons of grain, many of them being rented by shipping firms, the Company itself also acting as a shipping agency. Loading is carried on at night by means of electric lights, and several steamers have been able to clear with full cargoes in three days from the date of arrival.

The bay.

Railway communication.

Population.

Port facilitie

In order to give shelter to the shipping from southerly winds to which the bay is exposed, a breakwater is being formed of concrete blocks at a point opposite the town about a mile from the head of the bay. It was begun in 1886, but the contractors after carrying it out 170 yards, came to an end of their resources, and for some months the work has ceased. A new contract is on the point of being concluded with another Company, and it is expected that the work will be resumed almost immediately.

Breakwater.

Though until the completion of this breakwater, which is to be 1,050 yards in length, Novorossisk can only be considered a roadstead, it is remarkably safe, and vessels manage to ride out a storm. Shipping operations are sometimes interrupted for two or three days at a time when the Bora rushes down from the mountains; but though at such times the water seems to boil like a cauldron, no sea is raised.

Port dues. Port dues, clearances, &c., amount to only 10*l.* or 12*l.* a steamer; but these will, in all probability, be increased to compensate for the outlay to be incurred by the making of the breakwater. Railway charges for bringing the grain alongside usually come to about 10*l.*

Shipping. Mr. Sterne, a shipping agent established at Novorossisk, informs me that, during the first six months of the present year, 70 steamers, independently of those engaged in the coasting trade, visited the port and cleared with grain cargoes; 46 of them sailing under the British flag. The quantities of grain shipped during this period were the following:—

Articles.		Quantity.	Declared Value.
			£
Wheat	Quarters	317,850	441,460
Rye	„ ..	83,478	57,970
Barley	„ ..	64,588	44,853
Maize	„ ..	1,110	771
Flour	Sacks ..	100	62
Linseed	Quarters	29,97	52,286
Rape seed	„ ..	806	1,252

Grain. The stores at the time of my visit last week were nearly all full of grain, the produce of the present harvest, which, though most unpropitious in Southern Russia generally, proves to be above an average in the fertile region opened out by the new railway.

In addition to the foreign shipping, no less than 217 steamers and 148 sailing craft under the Russian flag called at the port during the same period—between January and June—being engaged in the coasting trade, though the actual tonnage carried was insignificant in comparison with the carrying capacity of the

Exports. vessels. The principal exports are naphtha, refuse, and cement.

Petroleum. The French Company, "Standard," has a large establishment here for working the petroleum wells which they have sunk in that region; but although they enjoy unrivalled advantages derived from the position of their works, the speculation has not proved a success. Another important establishment is the cement works.

Cement. Most of the land in the neighbourhood below the vegetable mould is formed of cement which is of remarkable purity, and only requires to be heated in furnaces and ground to powder to be converted into the cement of commerce. There is an annual output of 14,300 tons, nearly the whole of which is taken up by Government at a price of 70*s.* a ton.

There can be no doubt that a great future is reserved for Novorossisk. In winter, when the Azov is frozen, the port will be accessible to shipping, and the grain arrested at Rostov will find its way to it. Moreover, as time goes on, the rich plains of the Northern Caucasus, which are now so sparsely peopled in consequence of the wholesale immigration of the former Circassian inhabitants, which is still going on, will gradually be brought under the plough as immigrants are attracted thither, and the country recovers from the lawlessness arising from the feuds between the Cossacks and the Circassians. Future of port.

Odessa, October 15, 1889.

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FOREIGN OFFICE.

1890.

MISCELLANEOUS SERIES.

No. 162.

REPORTS ON SUBJECTS OF GENERAL AND COMMERCIAL INTEREST.

RUSSIA.

REPORT ON

INTERMEDIATE AND ELEMENTARY TECHNICAL EDUCATION IN RUSSIA.

Presented to both Houses of Parliament by Command of Her Majesty,
MAY, 1890.

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1890.

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No. 162.

RUSSIA.

ST. PETERSBURG.

Sir R. Morier to the Marquis of Salisbury.

My Lord, *St. Petersburg, March* 20, 1890.

I HAVE the honour to transmit herewith the enclosed digest by Mr. Harford of a very voluminous Report, compiled by Mr. Anopoff, Director of the Nicholas Industrial School at St. Petersburg, on Technical Education in Russia.

This very meritorious work of Mr. Harford's gives an exhaustive view of all that has been done during the last 20 years in Russia in this important branch of national education, and is of special interest as furnishing information on the most recent legislation respecting schools about to be founded.

I have, &c.

(Signed) R. B. MORIER.

Intermediate and Elementary Technical Education in Russia.

During the latter half of December, 1889, and part of January of this year, in accordance with an Imperial decree of August, 1888, there met at St. Petersburg, under the auspices of the Imperial Russian Technical Association, a congress of persons engaged in the work of technical and professional education in Russia. In connection with this congress, the first of its kind held in this country, numerous works on subjects connected with this question were published, and it is to a report, in Russian, of some 550 pages, compiled by M. Anopoff, Director of the Nicholas Industrial School at St. Petersburg, who has had over 20 years' practical experience of the subject, that I am chiefly indebted for the following details of the present state of technical education in Russia. An exhibition of the products of the various technical schools was held simultaneously with the congress, and it is reported that it is intended to repeat this experiment on a future occasion at Moscow, and possibly afterwards at Odessa. I may add, that on the closing day of the exhibition their Majesties the Emperor and Empress

spent several hours in inspecting the various exhibits, and that the Emperor personally handed M. Anopoff one of the two gold medals presented by the Czarevitch.

M. Anopoff states in the preface to his work, that the subject being so extensive he was obliged to confine himself to giving full details of intermediate and elementary technical and industrial teaching institutions, without attempting a description of the higher schools. The establishment of these former classes of schools dates, he says, from only some 25 years back, but in that short space of time they have spread to the confines of the Russian Empire. Up till 1881 the various schools had been placed under the control of the department of trade and manufactures in the Ministry of Finance, but in that year, in virtue of a decree of the Council of the Empire, they were transferred to the Ministry of Education, and in 1883 a special section for technical and professional education was created in that Ministry. By an ukase dated March $\frac{7}{19}$, 1888, a special commission was appointed, consisting of representatives from the Ministries of Education, Finance, Interior, and Imperial Domains, to determine the localities where industrial schools should be opened at the Government expense, and to what branches of study they should be applied. This commission was presided over by M. Ilüne, Director of the St. Petersburg Technological Institution, and their report received the Imperial sanction in July, 1889.

According to the new regulations of the "Realschulen," the special sections supplementary to them, according to the regulations of 1872 (except the commercial section), are abolished; and, in their place, industrial schools of a different kind will be opened at the Government expense, viz., intermediate and elementary technical and industrial schools. M. Anopoff remarks, however, that these new schools cannot be expected to be at first as successful as the existing schools with their long practical experience. He adds, too, that the greater number of the technical schools in Russia were founded at the initiative, and often even at the expense of local societies and private persons. It is worth mentioning that the gymnasia are inclined to give up somewhat the study of Latin and Greek, and tending to become "Realschulen."

Mr. Anopoff divides the various technical and industrial institutions in Russia into five groups:—

Group I.—Technical schools with the course of intermediate schools resembling the "Realschulen" (with special sections according to the regulations of 1872), but differing from them by their professional character being more strongly marked.

The task of these schools, which, as regards the knowledge required, is about equivalent to the standard of the "Realschulen," with a course of from six to eight years, consists in imparting a general acquaintance with the technical and partly commercial subjects which are indispensable for the assistants of engineers, and for independent managers of small technical undertakings. Persons who have completed the full course enjoy the right of entering the higher special teaching institutions on equal terms

with students of the gymnasia and "Realschulen." The students, in addition to their class occupations, work in the mechanical workshops or chemical laboratories, and considerable importance is given to the inspection of manufactories and works, and to practice in them during the summer vacation. To this group, strictly speaking, only three schools belong: (1) the industrial school at Lodz, in Poland; (2) the Irkutsk technical school; (3) the Komisaroff technical school at Moscow; in part, also, the Omsk and Kungur technical schools.

Group II.—To the second group may be referred institutions in which subjects of general education are taught within the scope of the courses of municipal schools (according to the regulations of 1872), and district and village schools with two classes. From those who enter them a knowledge is required approximate to the scope of primary schools, the full course of study lasting from four to six years. In these schools, besides the subjects taught in the municipal schools under the regulations of 1872, the following additional subjects are taken up: physics, mechanics, technology of metals and woods, bookkeeping, &c., while to drawing, both freehand and geometrical, much attention is given. The object of these institutions is the preparation of skilled artisans for factories, of lesser mechanical specialists, machinists, and draughtsmen. Persons who have completed the course do not enjoy the right of entering the higher teaching institutions. In most of them there exists a very systematic course of teaching the trades of joiners and fitters; the cost of their maintenance is consequently very considerable; in some cases, therefore, the apprentices learn their trades by executing orders. Many of the apprentices, on completing the course, become teachers of trades in the elementary schools, and in this way the schools of this group, although not destined for the preparation of teachers of trades, and not having any special class for that purpose, but simply in virtue of a practical necessity, function as industrial teachers' seminaries. Many of them have boarding houses. The Alexander technical school at Tcherepovetz, the industrial school of Count Orloff-Davydoff at Simbirsk, and the Nicholas industrial school at St. Petersburg, &c., are examples of this group of schools.

In this category should be included the railway schools, but as they are under the control of the Ministry of Communications, and serve certain special objects exclusively connected with railways, no account of them is given.

Group III.—Industrial schools with a course of general education not exceeding the scope of the course of primary schools, or sometimes reaching the standard of the second class in village schools with two classes. In most of them pupils are received who have completed the course in the public school, and who repeat what they have gone through in it. These schools are founded with the object of preparing skilled artisans for village and domestic industries, and also factory hands. They contain workshops for joiners, blacksmiths, carpenters, fitters, tailors, shoemakers, saddlers, bookbinders, &c.;

but few of these institutions can boast of a systematic course of instruction in trades. In case of lack of means, trades are taught by executing orders. During the summer vacation the pupils work in the workshops; carefulness of finish does not, as in the institutions of the second group, form an indispensable attribute of the work executed. The majority of these schools teach only day pupils. In this group are included the industrial schools of Kazan, Orenburg, Irbit, &c.

The industrial schools, under the control of various charitable societies, may be referred to this group, *e.g.*, those at Vladimir, Nijni-Novgorod, Tver, &c., as well as the model workshop at Tamboff.

Group IV.—To this group belong various special and general educational schools for adults, as the school for foremen builders, the school for printers, the evening and Sunday special classes of the Imperial Technical Society at St. Petersburg, the Riga Industrial School, &c. The teaching in these institutions takes place in the evenings of week-days, and on Sundays, *i.e.*, when the adult workmen for whom they are intended are free from their work.

Group V.—This group consists of elementary schools of general education, *i.e.*, primary, district, or municipal schools (according to the regulations of 1872) with supplementary industrial sections.

It is worthy of notice that persons who have gone through the whole course, or at least reached a certain standard, at any one of the schools of these five groups, enjoy certain privileges with regard to exemption from military service.

The Lodz Industrial School.

To this school, which is given as a type of Group I., M. Anopoff directs particular attention, differing as it does from all other technical schools in that from its foundation, 20 years ago, it has been under the control of the Ministry of Education, and has been maintained at the expense of the State; and he expresses his conviction that it is possible, nay even indispensable, to found similar intermediate technical schools in the industrial centres of Russia.

This school was founded, in 1869, at the instance of Count Tolstoi, the then Minister of Education, who suppressed the existing German "Realschule" in its favour. According to the regulations the object of this school is—"to give to the youths who are being taught at it, and who have received a previous general education in the lower classes, the possibility of acquiring in the upper classes the special scientific knowledge which is indispensable for the successful carrying on of their trades and industries in the manner most suitable to local conditions." The course of teaching is six years in six classes, the three higher classes being intended for special subjects. In the first class children

from 10 years of age are admitted (although, in practice, few younger than 11 offer themselves) who can read and write in Russian, know the principal prayers, and the first four rules of arithmetic.

The following is the weekly scheme of work :—

Subjects.	Classes.						Total of Lessons.
	I.	II.	III.	IV.	V.	VI.	
Christian doctrine, according to the Roman Catholic and Lutheran faiths	3	3	2	2	...	...	10
Russian language and literature	6	6	5	4	4	3	28
Russian history	...	...	...	2	2	2	6
German language	4	4	3	2	2	...	15
General geography	3	4	3	...	...	...	10
Geography of Russia	...	...	2	1	...	...	3
Zoology	2	3	...	...	...	...	5
Botany	...	...	3	...	...	...	3
Mineralogy	...	...	...	2	2	...	4
Arithmetic	6	3	...	...	...	...	9
Algebra	...	1	3	3	1	...	8
Geometry	...	1	2	2	...	...	5
Trigonometry	...	...	...	...	2	...	2
Geometrical drawing	...	...	...	...	2	1	3
Analytical geometry	...	...	...	...	...	2	2
Repetition of mathematics	...	...	...	...	...	1	1
Bookkeeping and commercial correspondence	...	...	...	1	...	3	4
Commercial reckoning	...	...	...	...	2	...	2
Physics	...	...	...	3	2	4	9
Chemistry	...	...	...	3	4	4	11
Chemical technology	...	...	...	...	3	3	6
Instruction in machines	...	...	...	...	2	4	6
Mechanical technology	...	...	...	...	1	2	3
Art of spinning	...	...	...	1	2	...	3
,, weaving	...	...	...	2	1	...	3
,, dyeing	...	...	...	...	...	3	3
Calligraphy	4	3	3	...	...	...	10
Drawing	2	2	4	4	3	3	18
Designing	...	2	2	2	1	1	8
Total	30	32	32	34	36	36	200

The preponderance given to the study of the Russian language is due to local conditions, and it may be mentioned that only 5 per cent. of the pupils are of Græco-Russian faith.

The pupils work in addition, during their spare time, for six hours a week in the evening in the chemical laboratory under the direction of their teachers. Gymnastics and singing, which are not included in the table, are also obligatory subjects. The teachers are required to visit with their pupils, in the course of half the summer vacation, the spinning, weaving, and dyeing manufactories. The fee for tuition is 20 r. a year (about 2*l.**), but the poorer students are exempted from paying even this small sum. There are no boarding houses, and the pupils live in private lodgings under the supervision of the school authorities. German is the only modern foreign language taught at this school, and 15 hours a week, divided among five of the six classes, are devoted to its study, as compared with from 22 hours to 28 hours in "Realschulen." But, in general, M. Anopoff thinks

* Although the present value (March, 1890) of the rouble is approximately 26*d.* the average exchange value for the last 10 years is nearer 24*d*

that the pupils at the Lodz school are overworked, and that the younger students especially begin the most difficult subjects too early, a system of "cramming" which checks their normal development.

Practical chemistry and quantitative analysis are thoroughly taught in the laboratory, and the dyeing of wool and cotton in the various shades most used in practice. Every student has to complete from 20 to 25 samples. As regards chemical technology they learn the processes of welding and smelting metals, silvering glass and metals, galvano-plastics, photography, &c. Of late they have occupied themselves much with painting on china and glass, and with the preparation of starch and soap. There is also a workshop with hand and power weaving looms, and the pupils employ themselves in making bindings, analysing tissues, and in drawing up detailed calculations and written descriptions of the modes of preparing tissues. These studies are carried on by the students during their spare time.

The students of the three senior classes devote half of the summer vacation to visiting factories: in the first year, spinning; in the second year, weaving; and in the third year, dyeing factories. Upon the conclusion of their course the students are obliged to work independently in some factory or other for three weeks, and to give an account of their work. Thanks to the liberality of the railway companies and manufacturers they are often able to visit factories 200 versts distant at scarcely any expense to the school.

In 1887–8, the last year of which full details are obtainable, the numbers at the schools were as follows:—

Year.	Total.	Number of Students according to Classes.						Number who completed course.	Number who left before completing the course.	Applicants for admission.	Admitted.
		I.	II.	III.	IV.	V.	VI.	Total.	Total.		
1887–8	333	81	83	64	48	37	20	15	48	163	75

Since the foundation of the school, in 1869, out of 1,324 students only 287, or 21 per cent., completed the full course; of these, again, 40 per cent. continued their studies in Russian or foreign higher schools. As has been mentioned before German is the only foreign language taught at this school, and M. Anopoff remarks with justice that a thorough knowledge not only of that tongue but also of French and English is indispensable for the class of young men who study at this school, and he urges that some of the time devoted to other subjects might well be given up to the study of those languages, and to practical instruction in the working of metals and wood.

Towards the maintenance of the Lodz school the State gives 22,380 r. (2,238*l.*), and the town 5,800 r. (580*l.*) yearly; thus taking 340 as the average number of students in the school, each student costs 77 roubles (7*l.* 14*s.*) per annum for his tuition, &c.

Since 1872 a Sunday drawing class, and since 1880 a Sunday industrial class for adults engaged in factories, have been attached to this school.

The Nicholas Industrial School.

I have selected this school to illustrate the schools in Group II. as Mr. Anopoff is himself the Director of it. Founded originally in 1860 by private benevolence as a refuge for destitute families, this school in 1865 received the support and patronage of His Majesty the Emperor,* who gave a subvention of 3,000 r. yearly to it. Later it was transformed into a school for poor children, and in 1871 the task of instructing poor children in trades was commenced, a special building being adapted for that purpose. But it was not until 1875 that the Nicholas Industrial School was remodelled on its present basis with 300 boarders, of whom those who are boarded at their own expense pay 250 r. per annum for food and tuition.

The following is the present table of lessons in the various classes:—

Subjects	Classes.					Total.
	I.	II.	III.	IV.	V.	
	Number of Hours.					
A. Work in workshops	12	12	25	27½	39½	116
B. Scientific subjects—						
Divinity	3	2	2	2	1	10
Russian language	5	3	2	..	..	15
„ correspondence	..	..	2	2	1	15
Geography of Russia	2	2	..	..	..	4
History of Russia	..	2	2	..	..	4
Arithmetic and geometry	6	6	4	2	..	18
Physics	..	..	3	3	..	6
Mechanics	..	..	..	2	2	4
Technology of woods (joiners) ..	..	..	..	2	2	4
„ „ metals (fitters) ..	..	..	..	2	2	4
Bookkeeping	..	..	..	..	2	2
Total in these subjects	16	15	15	13	8	67
C. Drawing subjects—						
Calligraphy	3	2	..	..	..	5
Drawing	6	6	4	4	..	20
Geometrical drawing	2	2	..	..	..	4
Drawing of designs	..	4	2	..	..	6
Technical drawing	..	..	4	6	4	14
Total	11	14	10	10	4	49
D. Singing	2	2	1	1	1	7
E. Gymnastics	2	1	..	..	..	3
Grand total of hours	43	44	51	51½	52½	242

* Then Czarewitch.

The students divided according to the various classes were distributed as follows in 1888–9 :—

	Classes.					Total.	Of these.	
	I.	II.	III.	IV.	V.		Fitters.	Joiners and Carvers.
1888–9 ...	91	80	57	55	52	335	269	66
Average age	13½	14½	16	17½	18	...	...	...

Since 1875 330 pupils, or 30 per cent. of the total of 1,123, completed the course, of these 257 were fitters, 57 joiners and 23 carvers, of the average age of 19 years.

In order to obtain the appellation of "under-foreman," apprentices are obliged to work in the fifth or practical class at making various articles after designs: the fitters at making turning lathes, planing and drilling frames, steam pumps, and small steam-engines; the joiners and carvers at large pieces of furniture in various styles, and if they cannot complete them in a given time they have to spend a second year in this class. Those who have completed the course enter the workshops of factories, works and railway companies as artisans, and generally receive not less than 1 r. per diem as wages; the title of "foreman" being only given to those who have shown great ability during at least two years' employment in such workshops, and of the above-mentioned total of 330 who completed the full course at the Nicholas School, only 72 received this appellation.

The Director complains of the jealousy and hostility which his late pupils often meet with from their fellow workmen who have not gone through a similar course of instruction, especially in the St. Petersburg factories, where Finns and Germans are almost exclusively employed. The foremen, who are of these two nationalities, he says, endeavour to drive out the Russian newcomers, or, when forced by more enlightened employers to retain them, give them as small wages as possible. To illustrate this, he states that, in one and the same factory, while those who had completed the course at the Nicholas School received only 1 r. (2*s.*) per diem, those who had quitted it on reaching the second class were receiving 1 r. 30 c. (2*s.* 7*d.*) per diem. Some of his late pupils, consequently, find it sometimes more to their advantage to conceal the fact of their having received this superior education. Many of them, however, who have not great force of character, after a short stay in a factory prefer to leave it altogether and turn to bookkeeping or clerk's work.

Finding that many of his late pupils were sometimes places in a position of great distress on leaving the school, M. Anopoff formed a society in 1881 for assisting them in finding places suited to their education, and furthering their interests generally after having passed through the Nicholas School. On January 1, 1889, a capital of 15,000 r. (1,500*l.*) had been raised for this

purpose, and for advancing small sums of money on loan in urgent cases. In this way his late pupils, on his recommendation, often obtain the post of instructor in industrial institutions in other parts of Russia, and in order to enable them to obtain the necessary knowledge of the local conditions of their new sphere of work, a sum of not more than 30 r. (3*l.*) a month from the funds of this society is granted them while studying for this purpose in a suitable private workshop. A printed register is published every year giving the names and short biographical details of those who have passed through the full course at the Nicholas School. From statistics collected in 1887 it was found that out of 216 who had passed through this course, 145 were engaged in industrial or technical work, 21 were clerks or book-keepers, 7 were studying in higher schools, 15 were serving in the army, and of 28 it was impossible to obtain any information. After making due allowance for these latter, M. Anopoff calculates that 75 per cent. of the above total of 216 were engaged in industrial or technical work.

There are the following workshops at the Nicholas School:— A fitters' shop with a section for artistic work, a joiners' shop with a section for carving and inlaying, a blacksmiths' forge, in addition to the section for gilding, silvering, nickelling, and galvanoplastics. In the mechanical workshop the turning lathes, planes, &c., are worked by a 20 horse-power engine.

According to the report for 1886, the cost of maintaining the school in that year amounted to 106,054 r. (10,606*l.*) for the 315 students, *i.e.*, 336 r. (33*l.* 12*s.*) per head, but after deducting 5,349 r. (535*l.*) the value of the articles made by them, the net cost per head is reduced to 320 r. (32*l.*) per annum. In the above total of 336 r. per head, the cost of maintenance of the buildings, &c., is estimated at 90 r. per head, that of food at 86 r., and that of tuition, materials, and instruments at 160 r. (16*l.*) per head, or 47 per cent. of the whole cost.

Kazan Industrial School.

The object of the institution which is given as a type of Group III., and was founded in 1881, is to educate "skilled and honest" workmen, and it receives as day scholars only boys from the age of 11½ years, without demanding any special preparation from them. Boys who have not completed the course in a day school, or who have not been to any school whatever, besides learning a trade, work in the reading and writing class at Christian doctrine, Russian, arithmetic, and calligraphy, outlines of Russian history geography, and natural science.

All the pupils in the joiners' and turners' and fitters' class, occupy themselves with freehand and geometrical drawing. Both these subjects are taught in the manner adapted to each particular trade, viz., at first the pupils copy rectilinear designs by means of tracing, and ornaments and specimens of furniture from designs, and learn the use of the measuring scale and protractor, then the

drawing of the parts of engines, &c., and finally they draw from nature geometrical forms and ornaments. The following trades are taught, the teaching being chiefly practical: joinery, turning and carving in wood, fitters' and blacksmiths' work, soldering, boot and shoemaking and tailoring.

The number of lessons in the abovementioned subjects is apportioned as follows: in the reading and writing class two hours a week for Christian doctrine; for the other subjects, six hours a week; for singing, one hour; and drawing, three hours a week. To learning trades they devote 36 hours a week. The rest of the pupils work for 44 hours in the week at their trades, three hours a week at drawing, and one hour a week at singing. The holders of bursarships work three hours daily in addition to the above, except on Saturdays and the eves of public holidays. The teaching of trades continues the whole year round, except on the public holidays which are so numerous in Russia. In addition to this, in June and July the classes in the other subjects are suspended. The whole course lasts six years, and on completing it the pupil receives the title of "under-foreman."

The school is maintained by the town, who grant about 6,000 r. yearly for that purpose, and since 1817 about 500 r. (50*l.*) yearly in bursarships. It is placed under the supervision of the municipal authorities. A fee of 18 r. (1*l.* 16*s.*) per annum is exacted only from inhabitants of other towns, and of such there are none in the school at present. In 1888 the number of pupils at the school was 149, of whom 80 per cent. were aged from 14 to 18 years, and out of the total of 103 old pupils on January 1, 1888, only 33, or 30 per cent., were attending the reading and writing class. The following table shows the numbers engaged in learning each trade:—

Year.	Total on January 1.	Admissions.	Left before completing course.	Completed course.	Trades.				
					Joiners.	Fitters.	Shoemaking.	Tailoring.	Total.
1888	103	46	28	15	35	63	38	13	149

The bursarships given by the town are intended for the children of very poor parents, but they are only given on the understanding that the recipient of one must complete the full course, or if he leave previously, that the money received by him must be refunded. To show how necessary this pecuniary aid is to induce pupils to remain during the whole course, it will be only necessary to cite the year 1887, in that year out of nine who completed the course all but one received from 2 r. (4*s.*) to 6 r. (12*s.*) a month. After leaving the school, former pupils find employment in private workshops, on steamers, or in works. The value of the tools, &c., in the school amounts to 2,800 r. (280*l.*),

of which 1,900 r. (190*l.*) worth belong to the fitters', and 560 r. (56*l.*) worth to the joiners' department.

VALUE of Articles made in the Workshops.

Year 1887.	Joiners.	Fitters.	Shoe-makers.	Tailors.	Total.
	r.	r.	r.	r.	r.
Value of articles	2,145	1,379	1,201	277	5,002
Net profit..	502	345	181	193	1,221
Cost of materials..	890	1,034	1,020	84	3,028
To supernumerary under-foremen for work	753	..	..	..	753

In the same year 327 articles were made in the joiners', and 533 in the fitters' shops. The cost of the maintenance of the school amounts to about 6,000 r. (600*l.*) annually: of which the superintendent receives 1,000 r. (100*l.*), a teacher 550 r. (55*l.*), drawing master 200 r. (20*l.*), 10 teachers of trades—from 120 r. to 420 r. (12*l.* to 42*l.*)—2,800 r. (280*l.*), household expenses amount to 850 r. (85*l.*), and materials and tools to 600 r. (60*l.*). The yearly cost of teaching each student does not exceed 58 r. (5*l.* 16*s.*).

This school really resembles the type of industrial teaching workshops, as there is no class teaching with the exception of the drawing lessons. M. Anopoff says it is to be regretted that so very little attention is given to drawing, and that the boot and shoemakers' apprentices are deprived of the possibility of developing their taste, and of adapting their knowledge of drawing to the preparation of their wares. Under these conditions the young men turned out by this school differ in no respect from the appr entices in private workshops. Altogether it may be said that this school, while attaining one of its objects, no doubt, in training up "honest" workmen, cannot be said to devote sufficient attention to its other avowed aim: that of the preparation of "skilled" workmen.

A description has now been given of types of the three categories or groups of schools to which M. Anopoff devotes more particular attention in his report, giving as he does an account of 93 technical and industrial schools at which 6,008 pupils were being taught in 1888, of whom 2,231 were learning fitters', and 1,414 joiners' trades. It will not be superfluous, however, to give a description of the two remaining categories of schools, as well as an outline of the new schools which are to be created in accordance with the ukase of March $\frac{7}{19}$, 1888.

RIGA INDUSTRIAL SCHOOL.

This school, which may be taken as a type of Group IV., was founded in 1873 by the Riga "Gewerbe-Verein," or Industrial Society, "with the view of remedying the gradual lowering of the moral level of artisans, and the falling-off in the quality of almost

all industrial productions, chiefly due to the abolition of obligatory membership of a trade guild."

There are two sections in the school, the preparatory and the special. The first consists of four classes, with a course of one year in each class, and the second of three classes, the course in the senior special class lasting two years. The course of instruction of the preparatory section corresponds to that in the primary public schools. Pupils who enter the preparatory section must be not less than 11 years' old; those who enter the special section undergo an examination in the subjects of the preparatory section. The teaching is effected in the evenings on week days, and on Sundays in the morning, when service is not going on at church, during the eight months from September to May.

The following is the weekly table of classes, the students in the preparatory section paying only from 3 r. (6*s.*) to 5 r. (10*s.*), and those in the special section 8 r. (16*s.*) per annum, the poorer students being taught gratis.

TABLE of Lessons.

Subject.	Preparatory section.				Special section.				Total of lessons in both sections.
	VII.	VI.	V.	IV.	III.	II.	First year I.	Second year I.	
Christian doctrine...	...	1	1	...	...	...	...	...	2
Reading and writing	5	3	1	...	...	...	...	...	9
German language	...	...	1	4	...	...	...	...	5
Geography and history of Russia	...	...	3	...	...	...	...	...	3
Arithmetic	4	3	3	3	1	...	...	...	14
Algebra	...	...	...	...	1	2	...	...	3
Elementary geometrical drawing	...	...	...	2	...	...	...	...	2
Drawing	...	2	3	2	2	4	4	6	23
Geometry	...	...	...	2	2	2	...	...	6
Physics	...	...	...	...	2	2	2	...	6
Designing	...	...	...	...	4	...	...	...	4
Writing business correspondence	...	...	...	...	2	1	...	...	3
Bookkeeping	...	...	...	...	...	...	...	2	2
Modelling	...	...	...	...	...	2	2	2	6
Special drawing classes for builders, fitters, and joiners ...	...	...	...	...	...	4	8	8	20
Calligraphy...	...	...	...	...	1	...	...	...	1
Instruction in styles	...	...	...	...	...	...	2	2	4
Total...	9	11	14	15	17	19	20	20	125

The teaching in the two junior classes takes place three times a week, from 7 to 10 p.m., and in the senior classes, from 8 to 10 a.m. on Sundays, in addition. Pupils in the senior classes, according to their professions, are divided into three categories: (1) workers in metals; (2) joiners; (3) builders. They work at their respective trades separately.

In arithmetic the complete course is gone through, including square and cubic roots, and in algebra up to simple equations. The teaching in Russian and German is confined to the grammar. In physics. Classes III. and II. receive four hours a week instruction in the general properties of fluids, solid and gazeous bodies, magnetism, electricity, light and heat, and in Class I. two hours are devoted to teaching short outlines of inorganic chemistry. In architecture a short history is given of the development of Greek architecture, the doric, ionic, and corinthian orders of columns,

the gothic and renaissance styles, and an illustration of the various forms of ceramic art. Technical drawing for builders includes the drawing of arches, staircases, roofs, and the disposition of beams, the arrangement of farm buildings, &c., the more advanced students having to calculate the quantity of materials, and to determine the dimensions. In connection with this subject, the technology of metals and wood is also taught for two hours a week to those engaged in working in those substances.

In 1888–9 there were 328 students attending the school, of whom 215 were in the preparatory section, and 113 in the special section, while there were 42 persons in addition who were only studying a few subjects, as drawing or designing, &c. In 1887–8, 15 per cent. of the students were between the ages of 12 and 14, 32 per cent. between 14 and 16, 42 per cent. between 16 and 19, and 11 per cent. between 19 and 36 years of age. Since 1883 the numbers attending the preparatory classes have declined owing to the opening of another school with evening classes, but the number of those attending the special section has steadily increased. The reason for many students quitting the school before completing the full course is, that on reaching Class IV. they have the right to certain immunities from military services on attaining that standard, as is the case in other similar institutions.

In 1887–8 the school received 8,000 r. (800*l.*) from the town, 1,750 r. (175*l.*) in fees, and 2,182 r. (218*l.*) in various donations, total 11,932 r. (1,193*l.*), the expenses in that year amounting to 10,932 r. (1,093*l.*).

It appears that manufacturers and other employers of labour gladly send their workmen to this school, and upon their finishing the course give them better posts, and it is asserted that this school has produced a marked effect, since its foundation, in improving the quality of local manufactures.

Drawing Classes for Adults.

The drawing classes for artisans situated in St. Petersburg, Moscow, Warsaw, Pskoff, &c., may also be referred to Group IV. and I accordingly give a short description of the "Drawing Classes attached to the School of the Imperial Society for the Encouragement of the Arts," the oldest of their kind in Russia.

This school was originally founded in 1839 by Count Kankrine, the then Minister of Finance, for the voluntary teaching of artisans and mechanics to whom a knowledge of drawing was indispensable. In 1842, in addition to the Sunday section which existed in the school, and the Sunday school connected with it of the Technological Institute, two special sections were opened, one for women, and one for teaching galvanoplastics. In spite of the great success which attended the opening of these classes they had to be closed in 1857, the Government having withdrawn their subvention owing to the drain on the national exchequer which the Crimean war had entailed. The Society for the Encouragement of the Arts, however, with the aid of several public-spirited painters, now took the drawing school under their protection, and having received a small subsidy from the State, it

began to assume the character of an artistic industrial teaching institution, the want of which had long been felt in Russia. By degrees, various special classes were opened for engraving on wood, modelling in wax and clay, wood-carving, painting on china, faience, and enamel, decorative painting, and also instruction in the history of various styles and ornaments, and in composing designs in every branch of applied art.

In connection with the school an artistic industrial museum was organised, with a very rich Russian and Oriental section, and also a special library. The publication called "A Collection of Artistic Industrial Designs" was also started, containing exact chromo-lithographic copies from water-colour sketches made by the pupils of the specimens of old Russian and Oriental productions in the museum, for the use of Russian manufacturers. Former pupils of the school, too, were commissioned to visit and copy the specimens of old Russian art preserved in public and private collections, and in churches and monasteries. In this way a new album has been compiled containing several hundred exact water-colour copies, with elaborate descriptions of the originals. Finally, in the environs of St. Petersburg, which are chiefly inhabited by the artisan classes, and are too far from the centre of the town, special sections of the drawing school have been opened for the free instruction of adult artisans and their children during their spare time in the evenings, and on public holidays.

Industrial Classes Attached to Elementary Schools.

To illustrate Group V. a description of the industrial sections attached to certain municipal and village primary schools is necessary.

In an Imperial decree dated May 31, 1872, it was laid down that the pupils in municipal schools, at their parents' desire, might occupy themselves with the simplest kinds of trades, as binding, turning, carving, &c., and that on application from the local authorities the State might grant a sum not exceeding 300 r. (30*l.*) a year to any school which would undertake to pay at least half the expense of teaching these trades. In 1875 the teaching of trades to boys, and needlework to girls, was further authorised to be introduced into the village schools as well, and where local conditions admitted of it, and the funds available were sufficient, the pupils were also allowed to engage in gardening and bee-keeping. In case of insufficiency of funds the Ministry of Education might make a grant in aid of from 100 r. (10*l.*) to 140 r. (14*l.*) per annum, as well as a further sum, if necessary, towards the purchase of the appliances required in the first instance, the money received from the sale of the articles made being devoted to the renewal or repair of the tools. The salary of an instructor in a trade was fixed at from 140 r. (14*l.*) to 160 r. (16*l.*) per annum.

In 1888 there were in the Russian Empire, 68 municipal, 8 district, and 500 primary schools—total, 576 elementary schools of all kinds—which had attached to them 756 industrial sections

with 11,238 pupils, formed in accordance with the foregoing regulations of 1872 and 1875. Calculating the cost of maintaining these sections at 300 r. (30*l.*) each, their entire maintenance amounts to about 1 per cent. of the total cost of all the schools, and the cost per head of teaching the trades to about 15 r. (1*l.* 10*s.*).

The following table shows the number of pupils learning various trades in 1888:—

Trades.	Number of Industrial Sections in Schools.				Number of Pupils in Schools.			
	Municipal.	District.	Primary.	Total.	Municipal.	District.	Primary.	Total.
Joiner	47	5	237	289	1,017	123	3,735	4,875
Carpenter	...	...	1	1	...	...	15	15
Wood-turner	2	...	4	6	27	...	37	64
Wood-carver	1	...	1	2	9	...	16	25
Fitter	19	1	42	62	316	14	528	858
Binder	17	3	96	116	292	27	1,091	1,410
Bootmaker	18	5	142	165	308	87	2,172	2,567
Tailor	2	2	13	17	16	23	232	271
Hatter	...	...	1	1	...	..	15	15
Furrier	...	1	...	1	...	6	...	6
Saddler	2	...	2	4	38	...	24	62
Wheelwright	...	1	5	6	...	8	76	84
Platter with rushes ...	...	...	2	2	...	...	26	26
Glazier	...	...	2	2	...	...	23	23
Silkworm culture... ...	1	...	37	38	24	...	341	365
Horticulture	...	...	43	43	...	...	556	556
Viticulture	1	...	...	1	16	...		16
Total	110	18	628	756	2,063	288	8,887	11,238

A considerable number of pupils leave every year before completing the course in the industrial classes, but this is also very much the case with those attending the other classes, as is proved by the official report of the Ministry of Education, which states that in 1884, out of the whole number who quitted the various elementary schools in Russia in that year, only 28 per cent. had completed the full course, while 72 per cent. had left without having done so, in spite of their losing thereby certain exemptions from military service. This remarkable fact is explained not so much by the indifference of the peasant population to education, as by their general economic and material condition, which renders it difficult for them to dispense with the services of their children during the three or more years' course of the primary schools. Altogether the official report of the Ministry does not take a very hopeful view of these industrial classes, less than 1 per cent. attending those of the primary, and 4 per cent. those at the municipal schools. The reason for their ill-success is ascribed to the fact that the pupils at these schools are not strong enough at the age of from 8 to 11 years to take to learning trades. In many cases, too, the peasant population have no desire that their children should learn trades, fearing that when they have learnt a trade they would leave them and their village, and forsake the tilling of the soil for work in the towns.

The masters of the school point out themselves the following chief defects in the working of these industrial classes: (1) The extreme youth of the pupils. (2) The short course of teaching

the trades. (3) The few hours in the week devoted to teaching them. (These vary in different schools from 2 to 6 hours, but 12 hours in the week appear to be the average.) (4) The work itself not being obligatory, the pupils are very intermittent in their visits to the workshops, often entering them more for amusement than instruction. M. Anopoff points out again one serious blunder in the working of the classes, namely, that the task of organising and supervising them is entrusted to ordinary school inspectors, who, as may be expected, have nothing in common with industrial and commercial pursuits. He urges, therefore, very strongly, the appointment of inspectors who have special qualifications for the post as the best means of remedying the defects which experience has shown, and to which allusion has been made above.

As it would be beyond the scope of this paper to imitate M. Anopoff in attempting an elaborate general review of the technical and industrial schools in the Russian Empire, of the various types of which I have endeavoured to give a succinct account, it will be sufficient to note the significant circumstance that he prefaces his criticisms by saying, that "the fact should not be lost sight of that the various technical schools in Russia, from the paucity of their number, and especially from the short time that has elapsed since their foundation, have not as yet had any striking influence on the development of the technical and commercial industries of the Empire." He adds, however, that it is necessary to bear in mind that these schools were opened and developed quite independently of State aid, and that from having no guiding principles to follow, it was often only after long and painful experience that they arrived at the successful solution of any question.

A report is now being prepared of the many interesting papers read at the technical congress which was held at St. Petersburg in January last. The majority of the members of this congress recommended the introduction of drawing as an obligatory subject of general education in the intermediate and elementary schools, and that instruction in agriculture should be given in special departments of the type of industrial schools attached to the elementary schools. It is reported in the Russian press that the Ministry of Domains is at the present moment engaged in preparing a scheme for opening a series of higher, intermediate and elementary schools of agriculture in the fertile black-soil region of the south and centre of Russia. In contrast to the apathy which has hitherto been displayed by the Government towards the best interests of agriculture in Russia, it may be mentioned that in the last 25 years Finland has founded no less than 42 schools of agriculture, of which three are higher schools, towards the maintenance of which the State assigned 12,250*l.* in 1888. She also possesses an Institute of Agriculture, which does not exist in Russia, and 15 flourishing agricultural societies, with 5,000 members, to which the Government assigned 4,000*l.* in 1888.

In conclusion, it will be only necessary to give the more

important provisions of the ukase of March $\frac{7}{19}$, 1888, to which allusion has been previously made, respecting the conditions under which technical and industrial schools may be opened in Russia, either wholly or in part, at the expense of the State. The tables of the subjects to be taught at the various schools are given in Appendices I., II., III. The cost of maintenance of these schools is respectively estimated in the ukase as follows: the Intermediate Mechanical Technical Schools at 27,311 r. (2,730*l.*) per annum; the Elementary Mechanical Technical Schools at 19,436 r. (1,945*l.*) per annum; and the Trade Schools at 11,960 r. (1,200*l.*) per annum. The Ministry of Education has assigned for this year the sum of 500,000 r. (50,000*l.*) for the creation of these technical schools, and it is reported that the Ministry has been urged to devote a considerable portion of this sum to founding schools in the districts where village industries prevail, the richer manufacturing districts being better able to dispense with State aid.

The following are the principal provisions of the ukase of March $\frac{7}{19}$, 1888:—

1. The Industrial Schools for the male inhabitants of the empire exist for the purpose of diffusing among the population technical education of the intermediate and elementary standards, as well as instruction in handicrafts.

2. The Intermediate Technical Schools impart the instruction and skill indispensable to artificers who are destined in time to act as the trusted assistants of engineers and of other managers of industrial enterprises.

3. The Elementary Technical Schools, besides initiation into the mysteries and methods of some one definite handicraft, likewise impart the knowledge and skill indispensable to men whose duty it will in time become to act as master-workers and immediate overseers of the operations of artisans in industrial establishments.

4. The Trade Schools exist for the purpose of giving practical tuition in the methods of any one trade, and at the same time of communicating such knowledge and skill as are absolutely necessary to the intelligent execution of the work of such trade.

5. Industrial Schools of each of the abovementioned categories (2—4) can exist either apart or in conjunction with other similar schools of various degrees and specialities.

7. The Industrial Schools are supported at the expense of the Crown, or of the "zemstos," societies, guilds, or private individuals, or by funds contributed simultaneously from all these sources. The schools which are supported by the Crown, or are in receipt of a subsidy from the Crown, are conducted in accordance with all the regulations laid down for them by the Government, and both teachers and pupils enjoy all the rights and privileges expounded in these regulations. With the consent of the Government these rights and privileges may be extended to schools which are exclusively supported by funds from other sources.

8. Donations to the Industrial Schools, fees for tuition, and

the proceeds of the sale of the articles made in the workshops of the schools, constitute the inalienable property of the schools. The tuition fees are to be applied mainly to supplement the regular revenue of the institutions, to remunerate the masters of any overflow classes which may be required to satisfy the wants of pupils, who cannot be accommodated in the ordinary class from lack of space or other causes; to complete or extend the library, workshops, &c., and finally to grant pecuniary assistance to persons serving in the establishment, or who have served therein, or to their families; to cover unforeseen expenses, and also to give relief or scholarships to needy pupils. The proceeds of the sale of objects made are to be mainly applied to maintaining the workshops.

9. The course in the Intermediate Technical Schools is not to exceed four years; that of the Elementary and Trade Schools three years.

10. The Industrial Schools, maintained entirely or in part by the Crown, are opened by order of the Minister of Education; of those maintained by funds from other sources: the Technical Schools are founded by permission of the Minister, and the Trade Schools by permission of the Curator of the district.

11. Those who enter Trade Schools are required to produce a certificate of their having gone the course of an Elementary School; those who enter the Elementary Technical Schools, a certificate of having gone through the course in a Municipal School, or Village School, with two classes; while those who enter Intermediate Technical Schools must have gone through five classes of a "Realschule."

12. Those who are unable to satisfy the conditions mentioned in the preceding paragraph, but who have worked not less than two years in industrial institutions, and have proved that they can successfully follow the course at the school they wish to enter, may be also admitted.

13. Industrial Schools must have: (1) a library, (2) a room with appliances for geometrical and freehand drawing, (3) where possible a room with appliances for modelling, (4) the necessary school books for the special object for which the school is intended, and in addition the requisite appliances for the practical work of the apprentices.

14. Pupils who have successfully completed their education in an Intermediate Technical School, after a four years' course, receive the appellation of artificer in their specific calling. Those who have only gone through a two or three years' course, only receive this appellation after three or two years, respectively, spent uninterruptedly in industrial work. Those who are so styled obtain certain privileges as regards their civil status and in respect to military service, and they enjoy in addition the right of entering the higher Technical Schools. Those who have completed the course at the other two categories of schools enjoy the privileges as regards civil status and military service, which correspond to the general education they have received.

Appendix I.—Table of the Number of Hours of Work in the Week in the Intermediary Technical Schools.

Subjects.	Mechanical—Technical School.					Chemical—Technical School.					Architectural—Technical School.				
	Classes				Total.	Classes				Total.	Classes				Total.
	I.	II.	III.	IV.		I.	II.	III.	IV.		I.	II.	III.	IV.	
Christian doctrine	1	1	1	1	4	1	1	1	1	4	1	1	1	1	4
Mathematics	3	3	...	...	6	3	...	...	...	3	3	3	...	...	6
Natural history	...	...	...	...	...	2	2	2	...	6	...	...	...	...	...
Physics	3	3	...	2*	8	3	3	...	...	6	3	3	...	...	6
Chemistry	3	2	...	...	5	3	3	4	...	10	3	2	...	...	5
Mechanics	5	2	...	...	7	5	2	...	...	7	5	2	...	...	7
Construction of machines	...	2	8	...	10	...	2	2	...	4	...	2	2	...	4
Mechanical productions	...	2	3	6	11	...	...	...	3	3	...	...	...	...	...
Chemical productions	...	...	...	3	3	...	...	6	8	14	...	...	2	...	2
Architecture	...	3	...	...	3	...	3	...	...	3	...	4	7	6	17
Surveying and levelling	3	...	...	...	3	...	...	...	...	...	3	...	...	...	3
Commercial geography and political economy	...	...	2	1	3	...	2	1	...	3	...	...	...	...	...
Bookkeeping and commercial correspondence	...	...	2	2	4	...	...	2	2	4	...	...	2	2	4
Law	...	...	...	2	2	...	...	...	2	2	...	...	...	3	3
Total	18	18	16	17	69	17	18	18	16	69	18	17	14	12	61
Drawing Subjects.															
Geometrical drawing	6	6	...	...	12	4	4	...	...	8	6	4	...	...	10
Technical drawing	...	...	3	12	15	...	...	4	4	8	...	...	6	...	6
Architectural drawing	...	...	6	...	6	...	...	...	...	...	2	3	10	20	35
Drawing	3	3	...	...	6	4	2	...	...	6	10	8	6	4	24
Total	9	9	9	12	39	8	6	4	4	22	18	15	22	24	79
Practical Work.															
In the mechanical workshops	9	9	9	9	36	9	...	...	...	9	6	10	6	6	28
„ chemical laboratory	...	2	...	...	2	...	18	10	...	28	...	...	...	...	...
„ techno-chemical workshops	...	...	...	...	...	...	...	8	20	28	...	...	...	...	...
Total	9	11	9	9	38	9	18	18	20	65	6	10	6	6	28
Grand total	36	38	34	38	146	34	42	40	40	156	44	42	42	42	168

* Electro-technics.

Appendix II.—Table of Hours of Work in the Week in the Elementary Technical Schools.

Subjects.	Mechanical—Technical School.				Chemical—Technical School.				Architectural—Technical School.			
	Classes			Total.	Classes			Total.	Classes			Total.
	I.	II.	III.		I.	II.	III.		I.	II.	III.	
Christian doctrine	1	1	1	3	1	1	1	3	1	1	1	3
Arithmetic and algebra*	4	3	...	7	4	...	...	4	3	...	...	3
Geometry	4	2	...	6	4	2	...	6	4	2	...	6
Physics	4	2	1	7	3	3	...	6	4	4	...	8
Chemistry	3	2	...	5	3	4	...	7				
Mechanics	...	2	4	6	...	...	...	...	...	...	...	...
Natural history	...	...	...	...	3	...	...	3	...	...	...	...
Construction of machines	...	4	6	10	...	2	5	7	...	...	...	...
Mechanical productions	...	2	4	6	...	3	...	3	...	...	...	...
Chemical productions	...	...	...	...	...	3	8	11	...	...	...	...
Building works and materials	...	...	...	...	...	...	...	...	6	8	6	20
Subsidiary apparatus	...	...	...	...	...	...	...	...		2	3	5
Land surveying and laying-out of buildings	...	...	...	...	...	...	...	...	...	1	2	3
Bookkeeping	...	...	2	2	...	...	2	2	...	...	4	4
Total	16	18	18	52	18	18	16	52	18	18	16	52
Drawing Subjects.												
Drawing	4	2	2	8	4	2	2	8	6	6	6	18
Geometrical and technical drawing	4	4	6	14	4	2	4	12	4	4	4	12
Calligraphy	...	...	...	...	...	...	...	...	2	2	...	4
Total	8	6	8	22	8	6	6	20	12	12	10	34
Practical Work.												
In the mechanical workshops	20	20	20	60	18	...	...	18	...	...	...	...
,, chemical laboratory	...	...	...	...	...	10	6	16	...	...	...	...
,, techno-chemical workshops	...	...	...	...	...	10	18	28	14	14	18	46
Total	20	20	20	60	18	20	24	62	14	14	18	46
Grand total	44	44	46	134	44	44	46	134	44	44	44	132

* Algebra is only taught in the mechanical technical schools.

Appendix III.—Table of the Number of Hours of Work in an Industrial (Trade) School.

Subjects.	Classes.			Total.
	I.	II.	III.	
Christian doctrine	1	1	2	4
Russian language	2	2	2	6
Arithmetic and bookkeeping	3	2	2	7
Geometry	3	3	..	6
General acquaintance with physics	..	2	4	6
Technology of wood in the joiners' department	..	2	1	6
Technology of metals in the fitters' department	..	2	1	
Total	9	14	12	35
Calligraphy	2	..	..	2
Drawing	4	2	2	8
Geometrical drawing	3	2	..	5
Technical drawing	..	2	5	7
Total	9	6	7	22
Practical work in workshops	24	24	24	72
Singing	..	..	..	$1\frac{1}{2}$
Grand total	42	44	43	$130\frac{1}{2}$

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No. 175.

RUSSIA.

ODESSA.

Consul-General Sandwith to the Marquis of Salisbury.

My Lord, *Odessa, June* 18, 1890.

A REPORT, which will shortly be published, has just been drawn up by the direction of the Russian Steam Navigation and Trading Company. It gives some instructive statistics of the operations of the company, and of its financial position, the substance of which I proceed to reproduce.

Since July 18, 1889, the subsidy received from the company was reduced to 1 r. 75 c. for every mile run on certain specified lines indicated below; and this rate of payment is to continue till January 1, 1891 (o.s.), a credit of 803,528 r. having last year been opened for the purpose.

In consideration of this subsidy, the company binds itself to keep up the following five lines of steamers:—(*a*) A weekly line between Odessa and Alexandria, calling at the following places—Constantinople, Dardanelles, Smyrna, and Chios; and on the return voyage touching at Port Said, Jaffa, Beyrout, Tripoli, Chios, Smyrna, Dardanelles, and Constantinople. Should Odessa be closed by ice, the steamer may complete its voyage at Sevastopol; the rate of speed to be not less than 10 nautical miles an hour.

(*b*) A weekly line between Sevastopol and Constantinople; the rate of speed the same as preceding.

(*c*) The Anatolian line once a week; the rate of speed not less than nine miles an hour. This line runs between Batoum and Constantinople, touching at Trebizonde, Kerasund, Orda, Samsun, Sinope, Ineboli, and such other intermediate ports as the Minister of Finance may from time to time direct.

(*d*) The Crimea-Caucasus indirect line, running once a week, at the rate of not less than nine miles an hour. This line runs between Odessa and Batoum, calling at Eupatoria, Sevastopol, Yalta, Theodosia, Kertch, Anapa, Novorossisk, Inapse, Socha, Adler, Gudaut, Novo-Athos, Loukhoum, Ochemchiri, and Poti.

(*e*) The Crimea-Caucasus direct line, running weekly between Odessa and Batoum at the same rate as the preceding, and calling at Sevastopol, Yalta, Theodosia, Kertch, and Novorossisk.

Sevastopol may be substituted as the terminus of all these lines should Odessa be blocked by ice.

The subsidy is payable only on the first three of these lines, but the company is bound to maintain the whole five. The question of their continued maintenance after January 1, 1891, will be duly considered by the Minister of Finance.

The report points out that the company does not limit its operations to the above lines, but keeps up communications, both regular and occasional, in the Black and Azoff Seas, as well as on the rivers Dnieper and Dniester, carrying numerous cargoes of grain, petroleum, sugar, &c. Two new steamers, now building on the Tyne, will be completed in the course of the present summer.

The financial position of the company is excellent, as the following figures will show:—The receipts during 1889 were 7,912,000 r., or reckoning the £ sterling at 8 r. 70 c. (909,425*l.* 5*s.* 9*d.*), the expenditure amounting to 5,975,000 r. (686,781*l.* 12*s.* 2*d.*), leaving a balance of 1,937,000 r. (222,643*l.* 13*s.* 7*d.*) Of this balance 587,000 r. (67,471*l.* 5*s.* 3*d.*) was written off for depreciation of the value of the property, leaving a net profit of 1,350,000 r. (155,172*l.* 8*s.* 3*d.*). Out of this sum 1,007,000 r. (115,747*l.* 2*s.* 6*d.*) was divided amongst the shareholders, thus giving 50 r. 35 c. per original share of 250 r., or rather over 20 per cent. The balance of the profits, viz., 347,000 r. (39,885*l.* 1*s.* 1*d.*), was divided in different unspecified portions between the reserve fund, the company's officers, and the dividend to be distributed in 1890.

In February, 1889, the company handed over to the Government the ironclad "Chesma," and in the following month the ironclad "Sinope," both vessels having been constructed in their dockyards at Sevastopol. On August of the same year they began to lay down a new ironclad, to be called "St. George the Conqueror."

I have, &c.
(Signed) THOMAS B. SANDWITH.

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Reference to previous Report, Miscellaneous Series No. 59.

SPAIN.

HAVANA.

Consul-General Crowe to the Marquis of Salisbury.

My Lord, *Havana, June* 18, 1890.

THE recent discoveries of mineral deposits in this island are of sufficient commercial importance to warrant my giving your Lordship some further particulars concerning them.

With the exception of copper, the existence of which was known to the aboriginies and early Spanish settlers, no other metals were supposed to exist in appreciable quantities in Cuba.

The island, with its 2,000 miles of seaboard, its extensive and impenetrable forests, its total want of roads and means of locomotion, had always been a closed country to foreigners; while the interior was but little known to its scanty inhabitants, who, grouped about the ports and small towns, thought only of raising and selling the produce of agriculture, then as now, the staple produce and support of the colony.

First, in 1880, iron in large quantities was known to exist in the mountains of the eastern provinces, and, in the following year, the first iron mines were reported and claimed, and the right of working 780 hectares obtained from the Government; the consequence of which was the subsequent discovery of many fields and lodes of rich iron, and manganese, and other metals, including some gold and ashphalt.

Since then I have on several occasions endeavoured to call the attention of the British public to the opening Cuba offers for mining enterprise, but hitherto the field has been left to the Americans, who, during the last decade, have made some profitable ventures.

The Juruaga* iron mines have now for six years been successfully worked with American capital, and recently another large group of similar mines has been bought by a Philadelphian

* Vide Consular Report on Mining Industries in Cuba for 1887, Miscellaneous Series No. 59.

syndicate, who have formed a company called the "Signa Iron Company" to work them with a capital of 5,000,000 dol.

The price paid is reported to be: 150,000 dol. cash, with a royalty of 30 c. silver per ton on the first 60,000 tons of ore extracted; 25 c. silver per ton on the next 40,000 tons; and 20 c. silver per ton on all the tonnage extracted over and above 100,000 tons, during the first year's working.

Operations are to commence in October of the present year by the construction of a bridge and artificial harbour, and a railway thence to the mines.

The Americans have the reputation of being shrewd and cautious in their foreign ventures, and the fact of their having invested so largely in Cuban mines has attracted the attention of the natives to the latent wealth of their island, and fresh mines are being eagerly sought for and claimed; thus, several apparently valuable mining properties are at present in the market, one or two of which appear to be of brilliant promise and easy access.

The analysis of the surface ore from one of these mines gave 28 per cent. of iron and 29 per cent. of manganese (metallic). It is situated on the coast; and it is computed that the surface ore, and that known by borings to exist in the lodes, will give 6,000 tons monthly for the next 50 years.

The cost of breaking the ore and its shipment to the States is calculated at from 6 to 8 dol. per ton, which, at current American prices, should leave a profit of 7 dol. per ton.

Ten distinct groups of iron mines have been discovered and claimed for working, eight of which are for sale, the owners being too poor to work them.

Two only have been sold, as stated above, to Americans, one of which gives 67 per cent. of pure iron. Some are reported to contain neither phosphorous nor sulphur; another is stated to have 500,000 tons of rich iron on the surface, without counting what is below it; and all are reported by native and American experts to be more or less extensive and valuable — some exceedingly so.

All mines are exempt during 20 years from export duty and surface tax, and are allowed free import of coals. These exemptions, the facility of obtaining labour, the low rates of freight to the States, and the steady demand for iron, ought to facilitate and render profitable the working of these promising properties.

The Americans have made a good beginning, German Consular reports have already drawn attention to them, and it would be a matter of regret should Englishmen (who often travel far to make doubtful investments) neglect good opportunities nearer home.

I am not an expert in mining matters, nor have I for reference the current rates of pig and steel in the English market, but in view of the fact that there is abundance of hard wood in the island, and coal is free, it would seem that smelting on the spot could be carried on, and the pure metal shipped to England by

return coalers, or the steamers which run between Cuba, Glasgow, and Liverpool.

It will occur to some to ask why such valuable mines remained so long unsold, six years having elapsed between the first and last sale.

The principal cause has, doubtless, been the exaggerated prices asked, but the reasonable sum lately accepted for the Signa property must have a moderating influence on future sales, which will have to be effected more or less on the same basis.

I have, &c.

(Signed) A. DE C. CROWE.

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No. 156.

SWEDEN.

STOCKHOLM AND GOTHENBURG.

STOCKHOLM.

Consul Hay-Newton to the Marquis of Salisbury.

My Lord, *Stockholm, January* 27, 1890.

I HAVE the honour to transmit to your Lordship a short memorandum respecting the Telephone Companies at present doing business at Stockholm.

I have, &c.

(Signed) F. HAY-NEWTON.

Report on the Telephone Companies of Stockholm.

Telephone communication in Sweden has developed itself greatly of late, and telephone companies are being started all over the country, in addition to which the private lines are very numerous.

The first telephone company that commenced operating in Sweden was the Bell Company, established in 1880, the share capital of which is 400,000 kronor (22,220*l.*). This company was using the American Bell patent, and, in consequence of the heavy charge for using the patent in Sweden, the yearly "abonnement" was very expensive.

In 1883 the Swedish engineer, Mr. K. Ericson, made a considerable improvement in the apparatus, and on applying obtained a patent.

The Allmaima Telephone Company was then formed, with a share capital of 600,000 kronor (33,330*l.*), and the "abonnement" greatly reduced in price, with a view to a more general adoption by the public.

At present the price for using one apparatus is 125 kroner (6*l.* 19*s.*) for the year, and where four or six apparatus are at work, with an automatic exchanger, the charge for each is only 60 kronor (3*l.* 6*s.*).

The two companies were for a few years competing, but have now made arrangements for co-operating, so that the subscribers of the one company are in a position to communicate with those of the other company. An extra fee for such communication is then charged of 10 öre (1½*d.*).

Most of the State departments and public offices are, through the telephone station of the Royal Telegraph Office, in direct communication with the public, and no extra fee is charged for communicating with the said offices.

The following figures, showing the number of subscribers and communications per year, illustrate to what extent this modern invention has been adopted:—

Year.	Number of Subscribers on December 15.	Total Number of Communications.	Number of Apparatus at work on December 31.
1884	2,217	2,232,082	2,288
1885	3,141	4,772,760	3,164
1886	3,581	5,802,063	3,600
1887	3,973	6,462,548	4,015
And on November 30, 1888 ..		.. .. ..	4,493

The Royal Telepraph Office has now built a telephone line to Gothenburg, but though about a year ago negotiations were taken up by the Allmaima Telephone Company for co-operation, in order to put their subscribers in direct communication with Gothenburg, they have not as yet led to any result.

The charge for telephoning to Gothenburg at the Royal Telegraphic Office is 50 öre (about 6½*d.*) for three minutes, and 10 öre (about 1½*d.*) for every minute over and above.

There are, moreover, similar State telephone lines to several other towns, and it is expected that next year the town of Matmö will be put into direct telephone communication with the capital.

Private subscribers for having the State telephone apparatus in their houses, in order to avoid going to the telegraph station, have to pay 80 kroner (4*l.* 9*s.*) a year for the apparatus, in addition to the stipulated charge for each message.

GOTHENBURG.

Consul Duff to the Marquis of Salisbury.

My Lord, *Gothenburg, December* 28, 1889.

CONFORMABLE to your Lordship's despatch of the 19th instant, requesting me to furnish information respecting the Telephone Companies at Gothenburg, I have the honour to transmit herewith a report on the subject.

I have, &c.

(Signed) JOHN DUFF.

Report.

In accordance with the Foreign Office despatch of December 19, 1889, requesting information respecting the telephone companies at Gothenburg, I have the honour to report on the subject as follows:—

There are two telephone companies, namely, the Government Telephone Office and the General Telephone Association.

The Government Telephone Office was, previous to the month of April, in 1888, in the hands of a private company—the Bell Telephone Company, established in 1881, with a capital of 200,000 kronor (11,111*l.*), and its operations chiefly limited to Gothenburg—but, since the Government took the business in hand, the system has been greatly developed, and the Government central telephone office at Gothenburg is now directly connected, by single lines, with Alingsås, Billdal, Borås, Falköping, Hisingen, Ionsered, Kongelf, Kongsbacka, Marstrand, Mölndal, Partilled, Särö, Trollhättan, Varberg, and Venersborg; and indirectly, viâ Alingsås, with Sollebrunn and Wårgårda; and, viâ Borås, with Fritsla, Kinna, Rydboholm, Skene, and Svenljunga, central offices.

The subscription for the use of the single lines by residents within 2 kilom. of the central office at Gothenburg is 80 kronor (4*l.* 8*s.* 11*d.*) per year, payable quarterly in advance, which includes erection of line and use of apparatus. For lines exceeding 2 kilom. there is an additional charge of 20 kronor (1*l.* 2*s.* 3*d.*) for every subsequent kilometer, or part thereof.

The subscription is calculated per calendar year, and is binding for five years.

Besides the before-mentioned single lines, the double line between Gothenburg and Stockholm, with intermediate offices at Mariestad, Sköfde, Vesterås, and Örebro, is open to the public since August last.

The double line under erection between Gothenburg and Uddevalla will probably be open before the close of the present year.

The charge for the use of the double lines is 30 öre (4*d.*) for an intercourse of three minutes within a distance of 250 kilom., and 50 öre (7*d.*) if exceeding that distance. For every subsequent minute, or part thereof, there is an additional charge of 10 öre ($1\frac{1}{3}d.$), but the telephone must not be occupied more than five minutes at a time in case it is previously engaged.

The terms for subscription within 2 kilom. are 80 kronor (4*l.* 8*s.* 11*d.*) per year, and 50 kronor (2*l.* 15*s.* 7*d.*) for erecting the line to the residence or place of business of the subscriber.

Subscribers to the single lines, who desire to be connected with the double lines, only pay 50 kronor (2*l.* 15*s.* 7*d.*) for erecting the extra line.

The total number of subscribers in Gothenburg are at present 1,000.

The central office, which is open day and night, gives employment to 22 operators, all females, who receive a salary of 50 kronor (2*l.* 15*s.* 7*d.*) per month for $5\frac{1}{4}$ hours' attendance per diem.

The wire used is of phosphor bronze.

The General Telephone Association was established in October, 1883, and is based on the co-operative system, each subscriber being a shareholder.

The number of subscribers are at present 800, and the operations chiefly limited to Gothenburg, but, through an arrangement with the Government telephone office, members of the association can communicate with certain places outside Gothenburg.

The annual subscription by residents within 2 kilom. of the central office is 60 kronor (3*l.* 6*s.* 8*d.*), and the cost of the line and apparatus 100 kronor (5*l.* 11*s.* $1\frac{1}{3}d.$).

The shareholders have received no dividend, the profits having been applied for the improvement of the lines.

The central office, which is open day and night, gives employment to 21 operators, all females, who receive a salary of 40 kronor (2*l.* 4*s.* $5\frac{1}{3}d.$) per month for six hours' daily attendance, and 2 kronor and 50 öre (2*s.* $9\frac{1}{3}d.$) for attendance from 9 p.m. to 7 a.m.

The wire used is of iron, galvanised.

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FOREIGN OFFICE.

1890.

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FURTHER REPORT ON THE

TELEPHONE SYSTEMS AT STOCKHOLM AND CHRISTIANIA.

REFERENCE TO PREVIOUS REPORT, Miscellaneous Series No. 156.

Presented to both Houses of Parliament by Command of Her Majesty,
MAY, 1890.

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SWEDEN AND NORWAY.

STOCKHOLM.

Consul Hay Newton to the Marquis of Salisbury.

My Lord, *Stockholm, March* 7, 1890.

With reference to my Despatch of January 27 last,* enclosing a Memorandum on the Telephone Companies operating in Stockholm, I have the honour to inform your Lordship that the negotiations respecting co-operation between the Allmänna Telephone Company and the State Telegraph Office have been entirely abandoned, and that under the heading of the State Telephone the Government is now inviting the public to become subscribers at a lower figure than the Allmänna Company.

The price is 80 kroner, equal to 4*l.* 8*s.* 10*d.* per year, and taking into consideration the advantages offered by the Royal Telegraph Office, no doubt the move is one towards a complete monopoly of the working of telephones in Sweden.

I enclose a translation of the advertisement which appeared in the "Aftonbladet."

I have, &c.
(Signed) F. H. NEWTON.

Translation.

The Telephone of the Royal Telegraph Office at Stockholm.
Conditions for Subscribers.

Yearly fee of 80 kroner for double line not exceeding 2 kiloms., in addition to which the sum of 50 kroner, once for all, is to be paid for arranging the line.

Yearly fee of 30 kroner for a branch line, when on the same property as the head apparatus.

The subscribers shall have the right to communicate, free of charge, with all the subscribers of the telegraph office in Stockholm and surroundings.

On payment of an extra charge, the subscribers are placed in direct communication with the State telephones all over the

* See Miscellaneous Series No. 156.

kingdom, which are at present found at Stockholm, Vesterâs, Orebro, Mariestad, Sköfde, Lothenburg, Vennersburg, and Uddevalla, and before the end of this year will be established at the towns of Nyköping, Norrköping, Linköping, Jöuköping, Vexiö, Matmö, Lund, Landskrona, and Helsingborg, as well as during the years following at Upsala, Gefee, Söderhamn, Hudiksvall, Sundsvall, and Hernösand.

The central telephone station of the Royal Telegraph Office at Stockholm is moreover connected with the private lines at Eskilstuna and Streugnäs.

The telephone of the Royal Telegraph Office at Stockholm include the central Government offices and several big firms.

Further information on application to the office, No. 2, Skeppsbron, where subscriptions are received.

The Technical Office of the Royal Board of Telegraph.

CHRISTIANIA.

Consul-General Michell to the Marquis of Salisbury.

My Lord, *Christiania, April* 16, 1890.

In compliance with the instructions conveyed in your Lordship's Despatch, No. 2 Commercial, of the 10th ultimo, I have the honour to transmit, herewith, a Memorandum respecting Norwegian Telephone Companies in general, but more especially in regard to the Telephone Company at Christiania.

The Memorandum is based on information with which the manager of the latter company has been good enough to supply me.

I have, &c.
(Signed) T. MICHELL.

Memorandum on the Telephone Company at Christiania and on the Telephone Service generally in Norway.

Origin of Christiania telephone.

The International Bell Company was the first, in 1880, to establish telephonic communication at Christiania.

In 1881 a "Telephone Association" entered into competition with it, and obtained by the end of that year 224 subscribers, against 462 subscribers to the Bell Telephone Company.

The two telephone systems continued to operate in competition with each other until the end of December, 1885, when the Bell Company had already fixed 995 apparatus, and the Telephone Association 634, representing an aggregate total of 1,629 subscribers.

Inconvenience of rival local telephones.

Meanwhile greater and greater inconvenience resulted to the public from the existence of two disconnected telephone systems. Out of the above number of 1,629 subscribers, 230 had been forced into connection with the wires of both companies.

Christiania Telephone Companies amalgamated

Their amalgamation into one company was at last effected by pressure on the part of the municipality, which prohibited the Bell Company and the Association from putting up any more wires separately.

Terms of amalgamation.

On the 1st January, 1886, the "Christiania Telephone Company" superseded the two original companies, which were indemnified on the following terms, namely:—

	£
Bell Company (its property was valued at 8,333*l.*)	13,384
Telephone Association (valuation of property, 4,444*l.*)	7,000
Total	20,384

Capital of new company.

The capital of the Christiania Telephone Company is 500,000 kroner (about 27,890*l.*), raised on 2,500 shares of 200 kroner (11*l.* 2*s.* 3*d.*) each. The dividend declared for 1889 amounted to 5 per cent. on that capital, and the shares now stand at 25 per cent. premium.

Annexed is an abstract of the balance-sheet of the company for the year 1889.

Number of subscribers.

The number of subscribers on the 1st January, 1890, was 2,133, and their increase, expressed as a percentage, has been as follows:—

	Per cent.
1886	7
1887	17½
1888	33
1889	53½

Apparatus, number of.

The total number of apparatus under the control of the company at the end of 1889 was 2,405, of which 68 belonged to subscribers.

Connection with outlying telephone systems.

Great advance was also made by the company during the past year in the direction of establishing communication with neighbouring telephone systems in towns and rural districts.

Laws, rules, and regulations.

The laws, rules, and regulations under which telephones are established and worked in Norway are summarised below:—

Legal powers.

By a Royal Decree issued in 1884, a law of July 31, 1859, regulating the construction and maintenance of railways and telegraph lines in Norway was made applicable to the establishment of telephonic communication.

Concessions or licenses.

In virtue of that decree permission has been granted to companies to establish telephonic communication either between towns and surrounding districts, or in rural districts between such districts, or with neighbouring towns, the licenses remaining severally in force for a period of five years.

No exclusive right is given to individual companies, but no licenses are granted to competing companies before all the local authorities have been consulted.

Royalties.

A royalty is payable under a licence only when the telephonic communication has been established between two or more places where telegraph stations are maintained by the State. The royalty annually payable is then calculated on a scale proportionate to the receipts from telegraphic correspondence between the points in question, and is generally fixed at one-half or one-third of such revenue.

The licenses contain no conditions as to the purchase of the telephone exchange systems by the State, either within the periods for which they have been granted or on the expiration or non-prolongation of a licence.

Connection with telegraphs.

The State allows telephone companies to place exchanges in connection with telegraph offices at their own cost, and without any responsibility on the part of the telegraph service for secrecy or accuracy of transmission.

No charge is made to companies for such connection. A few

companies have erected on their lines public telephone stations, to which telegrams can be sent from any telegraph office in the country.

The companies are allowed to charge for the transmission of the telegrams sent by their lines a general rate of 0·50 kroner ($6\frac{2}{3}d.$), regardless of the number of words.

The tariff books of the State telegraphs specify this rate, and give the names of the telephone stations.

An exception from this arrangement has been made in regard to the connection of a couple of places, where there had previously been State telegraph offices, with a private telephone in a neighbouring town. In these cases the State has given a subvention once for all, on condition that call offices should be provided, no extra charge made for telegrams, and a moderate tariff fixed for other use of the telephone from the points in question to the central office. The telephones established in certain rural districts by the State are regarded as part of the telegraph system, and are to some extent worked on telegraph lines that are utilised by the telegraph during only part of the year. In such places contracts are made for certain short periods of years with the interested parties, under a communal guarantee to the effect that an efficient clerk not connected with any mercantile business will be kept at the cost of such parties, and that the contractors will undertake the entire working of the telephone station, including free accommodation, lighting, heating, and the services of a messenger. They are granted a small subvention not exceeding 200 kroner (11*l.* 2*s.* 3*d.*) per annum, and a small return of the charge for each conversation through the telephone is made to them. State telephones.

Telegrams are in such cases free of extra charges.

In a couple of valleys, through which the State telegraph lines run, telephone wires have been erected on the telegraph poles in order to connect road-posting stations with the nearest telegraph office. These offices are all established on the principle just mentioned, except that the contracts remain in force for 10 years, and the contractors receive no subvention from the State, which has defrayed the cost of the lines and erection of the telephone stations, and which undertakes the repair of the lines and the keeping of the apparatus in order.

The description of telephone generally used is the ordinary apparatus with magneto-electrical call bells. Relatively few apparatus of the electro-magnetic type, with which signals are given by battery current, are in use. The transmitters are generally on Blake's and only a few on Ader's system. The receiver is either a Bell (one pole), or a Siemens (two pole) telephone. Telephone apparatus used.

At the exchanges in Christiania and Bergen the central apparatus consist of multiple switch boards, but at all other places of switch boards of older construction.

The apparatus are partly patented, and the State has no right to use or make them.

The cost of a complete telephone, comprising one transmitter Cost of apparatus.

and one receiver, ranges, according to decorative finish, between 72 kroner (4*l.*) for a magneto-electrical apparatus from the "Elektrisk Bureau" at Christiania, or from Ericsson at Stockholm, and 56 kroner (3*l.* 2*s.* 3*d.*) for Bell Blake's apparatus, from the Bell Telephone Manufacturing Company at Antwerp.

Maintenance of apparatus, cost of.

The average cost of maintaining in working order a complete telephone (transmitter, receiver and battery, or magneto-electrical call bells) is reckoned to be from 15 to 20 kroner (16*s.* 8*d.* to 22*s.* 3*d.*) per annum.

Wires, description of.

The wires used for the State telephone lines are all of silicium bronze, of a gauge 2 m.m. in diameter. Except at Christiania and Bergen, where silicium bronze wire 1·25 m.m. in diameter is partly applied, the private companies use for the exchanges Swedish iron wire of 22 m.m. in diameter. At Christiania ærial cells, containing 27 or 52 wires, are used in the vicinity of the central station. For inter-urban lines iron wire 3 m.m. in diameter is used on short distances, and silicium bronze from 1·5 to 2·5 m.m. in diameter on longer ones.

Maintenance of wires, cost of.

The average cost per annum to the companies of maintaining 1 kilom. of wires is calculated to be from 10 kroner to 15 kroner (11*s.* 1⅓*d.* to 16*s.* 8*d.*).

Private inter-urban wires are not allowed to be erected on the State telegraph poles. The State telephone wires are erected on the telegraph poles on the English revolving system, which has been effective in preventing induction.

Poles, cost of.

The average cost of poles varies according to the place where the construction of lines takes place. The State pays for the best poles, 25 feet long, 6 inches in diameter at the top, with 3 to 4 inches heart, on an average 30 kroner (33*s.* 4*d.*) per dozen. The prices of poles supplied to the Christiania Telephone Company are as follows:—For pine, 25′ in length, 20 kroner (22*s.* 3*d.*); for fir, 22 kroner (24*s.* 6*d.*) per dozen; for pine, 50′ in length, 70 kroner (77*s.* 9*d.*); for fir, 85 kroner (54*s.* 6*d.*) per dozen.

Wire, cost of.

The cost of wire is the ordinary market price. Silicium bronze wire, more especially, has been very fluctuating of late in price.

Insulation, cost of.

The porcelain insulators for the State telephone lines (the type being the same as that used for telegraph lines) cost about 0·50 kroner (6⅔*d.*) a piece. The cost of the double insulators used by the private companies is about 0·17 kroner (2*d.*).

Labour, cost of.

The cost of labour in the erection of the State telephone lines is ths same as that for telegraph lines, and varies greatly according to the more or less mountainous ground to be passed. The average cost is about 80 kroner (88*s.* 11*d.*) per kilom.

The private companies estimate the cost of labour at about 30 kroner (33*s.* 4*d.*) along the roads. On the houses it varies very much. The average may be said to be 25 kroner (27*s.* 9*d.*).

Female labour employed in offices.

It may here be remarked that the exchange and office work of the Christiania Telephone Company is principally performed by females.

The annual charge for the use of a telephone in connection with an exchange varies greatly in the different companies: in the mutual societies, where the subscribers are owners of the lines, the apparatus, and the central station, the charge is from 30 kroner (33*s.* 4*d.*) to 60 kroner (66*s.* 8*d.*) per annum. Charges for use of telephone.

When the companies are founded on shares, the annual charge is within the 1st circle (generally 1½ kiloms. from the central station) from 50 kroner (55*s.* 7*d.*) to 100 kroner (111*s.* 2*d.*), and is increased for greater distances.

The Christiania Telephone Company, founded on shares, make an annual charge for the 1st circle of 80 kroner (4*l.* 8*s.* 11*d.*), with an addition of 7·50 kroner (8*s.* 4*d.*) for each half kilom. beyond.

The subscribers of telephone companies founded on shares are generally bound for one year. The mutual societies have not bound themselves to give any compensation for lines and apparatus belonging to former members.

On the State telephone lines there is is no special charge made for the telephoning of telegrams. Telephoning telegrams, charges.

For conversations by telephone the charge is 0·20 kroner (2⅔*d.*) to 0·50 kroner (6⅔*d.*) for five minutes. Conversation by telephone, charges.

Public call offices are provided only in a few towns. At Christiania they are generally established in the house of a subscriber (generally a shop), who receives a remuneration of 30 per cent. of the revenue, the charge for each conversation being 0·10 kroner (1⅓*d.*), whether to subscribers or non-subscribers.

All the telephone exchange wires are ærial and single. Exchange wires ærial.

The existing trunk wires between towns (communications inter-urbaines) are all maintained by the companies, namely, between the following places:— Trunk wires between towns.

Christiania–Gjövik, annual royalty to the State 300 kroner (16*l.* 13*s.* 4*d.*), distance about 110 kilom., charge for five minutes' conversation 0·50 kroner (6⅔*d.*).

Christiania–Hönefos, distance about 60 kilom., charge for five minutes' conversation 0·50 kroner (6⅔*d.*).

Drammen–Kongsberg.

Christiania–Moss, annual royalty to the State 2,000 kroner (111*l.* 2*s.* 3*d.*), distance about 60 kilom., charge for five minutes, conversation 0·50 kroner (6⅔*d.*).

Skien–Porsgrund, royalty to the State 500 kroner (27*l.* 15*s.* 7*d.*).

Porsgrund–Langesund, royalty to the State 200 kroner (11*s.* 2*s.* 3*d.*).

The State has the right to erect poles and wires on public roads and private property against full compensation for value and damage under the provisions of the law of July 31, 1859. Right to use roads and private property.

Companies have no such legal right, but the local authorities and the landowners generally give permission to that effect without making any charge, the establishment of a telephone exchange being in the interest of the local inhabitants.

The State telephone lines are regarded financially as part of the telegraph system, and the expense of their maintenance is expected to be covered by the revenue they yield.

The total number of telephone exchanges (all private) in Norway is 30.

The total number of subscribers to each exchange, and the total number of inhabitants in each town or locality are shown in a statement hereunto annexed.

General observations.

The Government does not interfere in the establishment of private telephone systems to a greater extent than may be necessary in order to avoid collision between the different companies, and in order to protect the interests of the State telegraphs.

In the latter respect the State only requires remuneration for a decrease in the number of telegrams exchanged between telegraph offices, contingent on the establishment of telephone lines between the same places.

The system on which telephones are established and worked in Norway seems to be well adapted to a country of which the population is spread over a large extent of territory. The telephone exchange systems have, more especially in the two or three last years, grown rapidly—first, within the limits of certain towns or parishes, and then expanding to the surrounding districts or parishes.

The telephone is being more and more regarded as a convenience of household necessity.

What bells are for calls inside a house, the telephone is for outside calls; and as there is no charge for royalties, &c., included in the cost of establishing an exchange, the subscription rate can be made so low that the acquisition of a telephone apparatus is within the reach of moderate means.

Appendix I.—Balance-sheet of the Christiania Telephone Company for the Year 1889.

Debtor.

	£
To subscriptions	8,959
receipt from public stations	211
,, for messenger service	16
transmission of telegrams, receipts for	50
receipts from lines to Hönefos, Gjövik, and Moss	119
Tota.	9,355

CREDITOR.

	£	£
By Administration—		
rent of offices	921	
office expenses, printing, &c.	309	
directors' fees	222	
		1,452
By Maintenance, &c.—		
rent of central stations	1,950	
contributions towards female telephone clerks' of benefit fund	73	
inspection of lines, &c.	627	
maintenance of lines	2,000	
repairs to roofs and damages	308	
		4,958
By Sundry expenses—		
house rent, fuel, lighting, &c.	300	
insurance	22	
tools and instruments	57	
loss on subscriptions, prospective	72	
miscellaneous	62	
premises account	20	
State dues	7	
interest	26	
municipal tax (in dispute)	40	
written off on stock (35*l.*) and on lines	950	
		1,556
By Dividend to shareholders, 5 per cent...		1,389
Total		9,355

Appendix II.—CAPITAL Account of the Christiania Telephone Company.

DEBTOR.

	£
To works account	29,590
,, beyond city (Hönefos, Gjövik, Moss)	890
premises capital account	4,770
materials and apparatus, stock of	1,456
cash account	57
sundry debtors and balances	414
Total	37,177

CREDITOR.

	£
By share capital	27,778
dividend for 1889 and unclaimed debts	1,496
Christiania bank	3,671
mortgages, debts on	3,333
female telephone clerks' benefit fund	144
sundry creditors and possible losses	755
Total	37,177

Appendix III.—Number of Subscribers to each Telephone Exchange in Norway.

	Subscribers.	Inhabitants.
Christiania	2,133	140,000
Bygdö	35	Rural districts. The Christiania Telephone Company.
Strömsborg	7	
Sandviken	11	
Lilleströmmen	16	
Malmöen	9	
Dröbak	13	2,000
Hönefos	13	1,400
Bergen	750	50,000
Trondhjem	315	25,000
Drammen	145	20,000
Stavanger	148	24,000
Fredrikstad	142	12,000
Fredrikshald	97	11,000
Laurvik	90	11,000
Skien	94	7,000
Moss	70	7,000
Tromsö	63	6,000
Tönsberg	62	7,000
Christianssund	51	10,000
Christianssand	50	13,000
Arendal	50	4,000
Porsgrund	37	4,500
Langesund	?	Lately established.
Aalesund..	37	7,000
Kragerö	28	5,000
Hammerfest	21	1,500
Sarpsborg	37	2,800
Haugesund	?	? Lately established.
Hamar	?	? „ „
Horten	70	6,000
Bodö	?	? Lately established.
Kongsvinger	57	?
Elverum	57	? Rural districts.
Slokmarknœs-Mebbo ..	7	..
Vormsund	23	Rural districts. The Nœs Telephone Company.
Ingeborrud	3	
Trögstad..	11	
Nannestad	5	
Eidsvold..	27	Rural districts.
Vestre Toten Gran ..	Lately established	The Oplandenes Telephone Company.
Ostre Toten Gjövik ..		

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1890.

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SWITZERLAND.

REPORT ON

SWISS LEGISLATION RESPECTING COMPULSORY INSURANCE AND OTHER MEASURES FOR BENEFITING THE WORKING CLASSES.

Presented to both Houses of Parliament by Command of Her Majesty, APRIL, 1890.

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1890.

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the social question in Switzerland, and to examine the steps taken by the Government during the last 15 years to promote the welfare of the labouring classes.

In the year 1877 the Federal Assembly passed a Factory Act rendering it obligatory on all manufacturers to take proper precautions for the safety and health of their workmen. All cases of accidents or death were at once to be reported to the cantonal authorities, and proper regulations for the working of factories and for the engagement of factory hands were to be submitted, together with any observations which the workmen might have to offer on them, to the approval of the said authorities. These regulations were in no case to impose fines on workmen, of which the amount exceeded that of half a day's wages, while the proceeds of such fines were to be devoted to forming a workman's aid fund.

The Act further fixed the normal day's work at 11 hours (between 5 a.m. and 8 p.m. in summer, and 6 a.m. and 8 p.m. in winter), with an hour's rest in the middle of the day, but it limited the hours to 10 in such occupations as were proved to be prejudicial to health.

No night work was to be carried on in any factory without the previous sanction of the cantonal or federal authorities, except in cases of accidents to machinery requiring immediate attention.

All Sunday labour was declared illegal, except in specially authorised factories, and even in these latter it was stipulated that workmen were to have every second Sunday free.

The employment of women on night work, on Sundays, and for a period of six weeks after a confinement was prohibited, and certain restrictions were placed on the employment of boys between the ages of 14 and 18, while children under the former age were in no case to be employed.

Two years previous to the passing of this Act, the principle of the liability of employers had been established and defined in the case of railways and steamboat companies, and the system was in 1881 extended to factories.

In both cases it was laid down that losses sustained by workmen in consequence of injuries received in the discharge of their duties must be made good by the employer, unless it could be proved that the accident was caused by the fault of the workman injured, by a "force majeur," or by some criminal act on the part of a third person.

The same liability was further declared to attach to the employer in cases of illness contracted by workmen engaged in any branch of industry prejudicial to health.

The indemnity to be paid by railway and steamboat companies in cases of accidents was to include, according to the terms of the Act of 1875, all the medical and other expenses incurred by the injured person during his illness, as well as the pecuniary loss occasioned by his inability to work.

In cases of death the company was held bound to pay an

indemnity to any person who, during the life of the deceased, had been dependent on him for support, and it was left to the court to decide whether such payment was to be made in a lump sum, or whether it was to take the form of an annuity.

The provisions of the law of 1881, while imposing similar liabilities on all employers of labour in factories, defined the persons entitled to claim such indemnities as being the husband or wife of the deceased, his or her children, grandchildren, parents, grandparents, brothers or sisters; and it further limited the amount of the damages which the employer could in any case be called on to pay to the equivalent of six years' salary of the person injured or killed, provided that this did not exceed the sum of 240*l.*

Under this Act all payments were to be made in capital, and not in the form of annuities, except with the consent of all the persons interested.

The benefits conferred on the working classes by these measures were doubtless considerable. Thanks to them many a family was saved from misery, and many an orphan provided with a good education. Their general results, however, fell short of the expectations that had been founded on them.

In the actions before the courts the employer and employed did not always meet on equal terms, while the plea invariably put forward by the former, that the workman was either wholly or in part responsible for the accident, rendered a speedy settlement difficult, and in some exceptional cases even prolonged the proceedings for a couple of years.

The workman, in the meanwhile, thrown on his own resources, had recourse to borrowing, and, having thus discounted his expectations, could be but little benefited by any decision which the court might eventually pronounce in his favour.

The tendency, moreover, of such actions was to embitter the relations of employer and employed, greatly to the prejudice of the latter. A workman seeking re-employment, on recovering from an accident, often found the door of his former employer closed to him, while a disposition to boycot him was in some cases shown on the part of other factory owners.

With a view to simplifying the procedure before the courts, and to extending the principle of the liability of employers, the National Assembly in March, 1885, invited the Federal Council to submit proposals for a revision of the laws then in force on the subject. They felt, however, that a more drastic measure was necessary in order to safeguard the working classes against the defects inherent in the then existing system. They accordingly at the same time invited the Federal Council to consider whether the time had not arrived for introducing a measure for the compulsory insurance of workmen against accidents.

In compliance with the former of these requests the Federal Council, in 1886, presented a Bill, which was passed by the Assembly in the following year, extending the provisions of the Act of 1881 to all industries employing or manufacturing any

kind of explosives, and to all others, where more than five workmen on an average were employed during working hours, that came within any of the following categories :—

a. The building trade in all its branches.

b. Land and water transport.

c. Putting up or repairing telephonic or telegraphic wires; constructing or deplacing machinery.

d. Making railways, tunnels, bridges, hydraulic works, wells, roads, &c., working mines, quarries, &c.

With a view, moreover, to assist workmen in establishing their claims to compensation, the cantonal authorities were directed to take measures for accelerating the proceedings before the courts, and for remitting all fees and other judicial expenses in cases of this nature, which were not proved on examination to be of a frivolous character.

The second portion of the task imposed on the Federal Council by the Chambers was more difficult, and could not be disposed of so quickly. Steps were however taken to pave the way for a careful examination of the question. Statistics of accidents and other data bearing on the subject were collected, the views of those most competent to express an opinion were invited, while the Acts passed by the Legislatures of neighbouring States were carefully studied.

The federal constitution, moreover, while empowering the confederation to legislate in regard to the liability of employers, does not confer on it the right to do so in such a matter as that of compulsory insurance. A partial revision of the constitution was therefore a necessary preliminary to legislation, and the first step in this direction has now been taken by the Federal Council.

The "Feuille Fédérale," in a recent number, published a message from the Federal Council to the Federal Assembly proposing that an additional article to the constitution should be adopted by the Assembly and submitted to the popular vote. The text of this article is as follows :—

"The confederation has the right to introduce, by way of legislation, compulsory insurance against accidents.

"It has also the right to legislate as regards insurance against illness, and to make it compulsory on all those receiving salaries to join an insurance society of that nature."

The message is accompanied by the memoranda, statistics, and other information which the Federal Council has caused to be collected on the subject.

The proposal of the Federal Government has, it will have been observed, reference to insurance both against accidents and illness. But the terms employed in regard to them are not quite identic, for while in the former case the insurance is always to be obligatory, a greater latitude would appear to be left to the Government in dealing with the latter.

With regard to accidents, moreover, the system to be introduced is to be worked by an establishment organised by the State, while that of insurance against illness is to be grafted on

the existing system of private insurance. Any attempt at a centralisation of the latter would, it is thought, afford too many opportunities for fraudulent practices, which can only be guarded against by direct local control. The State will, indeed, draw up the regulations under which the system is to worked, and will exercise supervision over it when once started, but it is to the local and cantonal institutions already existing that the Government looks for carrying out its plans of insurance in this direction.

The Government has wisely decided to confine its efforts for the present to these two branches of insurance, and not to touch the question of life and fire insurances, or that of insurance against old age and infirmity. Their task, as it is, is difficult enough, and they consider it more prudent to await the results of their present experiment, and not to advance further until they have learnt by experience not only how the system itself will work, but also how far the State, the employers, and the employed are able to bear in their various degrees the new financial burdens that must necessarily fall on them.

It was, moreover, to the introduction of a measure for the insurance of workmen against "accidents" that the attention of the Government was called by the mandate of the Chambers, and it is, therefore, to the accomplishment of this task that their efforts will be chiefly directed. The term "workmen," however, has been purposely omitted by them in the text of the article submitted to the Federal Assembly. It is preferable, they consider, that a measure of this kind should bear an essentially democratic character, and be capable of application to other classes, such as servants, &c., instead of being confined solely to workmen. There is, besides, in their opinion no reason for excluding from the benefits of this Act employers of labour and others who, though in an independent position, may, on account of the smallness of their means, wish to take advantage of it, provided always that a maximum sum be fixed beyond which no insurance can be effected.

The latitude thus left to the Government will also have the advantage of enabling them to dispense with a second revision of the constitution in the event of its being deemed advisable at any future period to extend or alter any of the provisions of the measure about to be introduced.

Meanwhile, they have carefully refrained in their message to the Federal Assembly from disclosing the general features of the plan which they are at present elaborating. The revision of the constitution cannot be voted by the Assembly before its summer session, and it must then be submitted to the popular vote or referendum. It will thus be impossible for the Government to present their Bill to the Chambers before the winter session, which begins in November, and they will be able to utilise the intervening time in completing their measure after a careful study of the statistics relating to accidents and insurance which are still being collected for them.

It is therefore useless, at the present moment, to speculate as

to the exact lines on which the Government Bill will be constructed. That it will be a measure conferring great benefits on the working classes is beyond a doubt, and it is equally certain that the financial burdens which it will entail will be made to fall as lightly as possible on those classes. It will, moreover, in any case possess the advantage of having been freely accepted by the classes which it is intended to benefit, for even after it has been passed by the Federal Assembly it can, on the demand of eight cantons, or of 30,000 citizens, be submitted to the people for their acceptance or rejection.

It must not however be imagined, because this is the first occasion on which the Government has attempted to deal with the question of the insurance of workmen, that the practice itself is a new one in Switzerland. It appeared on the contrary as a natural consequence of the introduction of the principle of employers' liability. Anxious to protect themselves against the risks which the Legislature had imposed on them, owners of factories and railway companies had recourse at once to the insurance offices. Some took out collective policies by which all their workmen were insured in a body, while they themselves were guaranteed against any additional risk; others insured their workmen individually.

The rivalry between the different insurance companies to secure this new body of clients was intense. The most attractive forms of policies were offered at the lowest of rates, with the result that when the crisis came the majority of the companies were unable to meet their obligations.

With a view to preventing a recurrence of this speculative mania, and in the hope of restoring public confidence in a system which must otherwise have fallen into discredit, the Government, in 1885, decided to create a Bureau Fédéral des Assurances.

The powers conferred on this board not only authorised it to exercise supervision over all insurance companies established in Switzerland, but also to satisfy itself, by a careful examination of their constitution, staff, forms of policies, &c., of their stability and trustworthy character. It was to be guided by the results of these investigations in granting or withholding the licence, without which no insurance company, whether foreign or native, was any longer to operate in this country, and it was further empowered to fix the amount of caution money which the companies thus licensed were required to deposit as a guarantee of their solvency.

There are at present in Switzerland nine accident insurance companies licensed by the Bureau Fédéral des Assurances, and these, according to statistics recently published, received in the year 1887 as much as 72,073*l.* in premiums, while the indemnities which they paid amounted to over 39,300*l.*

There are, moreover, in the cantons numerous local societies for insurance against illness, as well as workmen's mutual aid societies; but these are entirely independent of any control by the

State, and are only required to register themselves in the event of their wishing to acquire a legal status.

The governments of the cantons of Bale-Ville, Argovie, and Geneva, however, have recently taken steps to introduce into their respective cantons a system of compulsory insurance against illness.

The grand council of Bâle-Ville has indeed actually passed such a measure, which, if confirmed by the popular vote, will, it is calculated, apply to 47,000 persons out of a total population of about 70,000. The expenses which it will entail are estimated at 20,000*l.* a year, and of this sum 16,800*l.* will be covered by the premiums to be paid for insurance, while the remaining 3,200*l.* will have to be met out of cantonal funds.

According to its terms, insurance is to be obligatory for servants and workmen of every description whose income does not exceed 88*l.* per annum, and for all other persons in an independent position above the age of 16 years whose income ranges between 48*l.* and 88*l.* a year, while those whose income falls short of 48*l.* are at liberty, if they choose, to profit by the measure on payment of the ordinary premiums.

Heads of families are further required to insure such members of their families as are resident in the canton, who do not come within the provisions of the Act.

The yearly premiums to be paid are fixed at the following rates:—

	s.	*d.*
For each individual on whom the Act renders insurance obligatory ..	10	0
For the first member of his family, for whose insurance he is responsble	4	0
„ second „ „ „ „ „	3	0
„ third „ „ „ „ „	2	6
„ fourth „ „ „ „ „	2	0
„ fifth „ „ „ „ „	1	6

For any other members of his family beyond this number no premium need be paid.

Employers of labour have to contribute 5*s.*, or the half of the premium to be paid by any person in their employ, while the government of the canton undertakes to make good any deficit which does not exceed a sum equivalent to 1*s.* 8*d.* a head of those insured. In the event of the deficit assuming larger proportions, the rates of premium above quoted are to be revised by the grand council.

Any person failing to comply with the obligations which this Act imposes upon him may be punished by a fine not exceeding 2*l.*

As regards the cantons of Argovie and Geneva, their governments apparently contemplate the introduction of a system of compulsory insurance against illness for all citizens above a certain age, but the measures at present under their consideration are not yet in such an advanced stage as to justify any detailed account of their provisions.

It remains to be seen, however, how the action of these three cantons will be affected by the general measure of insurance about

to be submitted to the Federal Assembly. The question of insurance is, in the opinion of the Federal Government, of far too large and complex a character to be solved by the cantons each in its different way, and it is therefore incumbent on them, as the Central Government, to elaborate a system for the confederation as a whole, irrespective of any steps which may already have been taken in the same direction by certain of its individual members.

Under these circumstances, therefore, it is uncertain whether the cantons in question will adhere to their own original schemes, or whether they will attempt to subordinate them to the federal system with a view to supplement any possible deficiencies of the latter in the domain of compulsory insurance against illness.

However this may be, enough has already been said to show how deep an interest is taken by the authorities, whether cantonal or federal, in the welfare of the working classes, and how much importance is attached in this country to the question of compulsory insurance.

It may not be out of place to quote, in conclusion, a passage from a speech recently made by the head of the federal foreign department, M. Droz, in which his Excellency refers to the present position of the social question in Switzerland:—

"Dans le domaine social où tous les partis peuvent se donner la main en tant qu'il s'agit de réaliser des progrès raisonnables, des réformes sérieusement étudiées au point de vue pratique, la confédération s'est mise courageusement à l'œuvre.

"J'insiste particulièrement sur notre législation ouvrière proprement dite, en vigueur ou en voie d'élaboration, la loi sur les fabriques, la loi sur la responsabilité des patrons et cette importante revision constitutionelle que nous proposons pour introduire l'assurance obligatoire en cas d'accidents et de maladies. Et l'on n'en restera pas là, soyez en sûrs. D'autres progrès s'élaborent qui viendront à leur heure."

Mr. Buchanan to the Marquis of Salisbury.

My Lord, *Berne, March* 29, 1890.

In the report forwarded to your Lordship by Mr. Scott in his despatch, No. 27 Commercial, of the 13th instant, on the subject of recent social legislation in this country, I referred to an Act which had recently been passed by the grand council of Bâle Ville for the compulsory insurance against illness of certain classes of the population of that canton.

I have now the honour to report that this measure was submitted to the referendum, or popular vote, on the 21st instant, when it was rejected by the large majority of nearly two and a half to one.

The rejection of the measure by the very classes whom it was intended to benefit may, to a great extent, be accounted for by the attachment of the workmen to their own mutual aid societies, of

which there are a large number in the canton. The good work done by these societies in encouraging habits of thrift among the working classes, as well as in ministering to their material wants, no doubt influenced many voters in withholding their sanction from a proposal which would have replaced these local voluntary associations by a system of compulsory insurance under State control. Others, moreover, feared that such a system as that proposed, while entailing a serious financial risk, would lack the local control necessary to guard against attempts at simulation of illness on the part of the insured.

Politics, on the other hand, though playing but a secondary part in the question, would doubtless have accounted for a considerable number of hostile votes.

The result, however, of this cantonal referendum acquires its chief interest when viewed in connection with the more comprehensive scheme of compulsory insurance at present in process of elaboration by the Federal Government. The opponents of State socialism naturally view with satisfaction what they consider as an indication of popular feeling in regard to the latter measure, while its supporters admit that the decision of the Bâle electors has taken them by surprise, and has considerably increased their anxiety as to what may befall the proposals of the Federal Government when submitted to the popular vote.

The question of compulsory insurance against accidents would not, it is considered, present in itself any very serious difficulty, were it possible to separate it from that of insurance against illness. The Federal Government have, indeed, already announced their intention to employ the local friendly societies existing in the cantons as agents for carrying out their plans in regard to this latter branch of insurance, but they will still have to exercise great caution in framing their measure so as to avoid its meeting with the opposition which has proved so fatal to the proposals of the government of Bâle-Ville.

I have, &c.

(Signed) GEORGE W. BUCHANAN.

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UNITED STATES.

WASHINGTON.

Sir J. Pauncefote to the Marquis of Salisbury.

My Lord, *Washington, November* 4, 1889.

I HAVE the honour to enclose herewith a despatch which I have received from Mr. Edwardes, forwarding a supplementary Report on the Liquor Traffic Legislation in the United States, which he has drawn up, to the best of his power, in accordance with the instructions contained in your Lordship's despatch of May 2 last.

I have, &c.,
(Signed) JULIAN PAUNCEFOTE.

Mr. Edwardes to Sir J. Pauncefote.

Sir, *Washington, November* 4, 1889.

In obedience to the instructions contained in Lord Salisbury's despatch of May 2 last, I have the honour to transmit to you herewith a report on the Liquor Traffic Legislation in the United States, which is intended as a continuation of a report which I drew up in October, 1887, on the same subject.*

The information, of which the enclosed report is a summary in accordance with Lord Salisbury's directions, has been, as on the former occasion, furnished by Her Majesty's Consuls, and I venture to draw attention to that which has been received from Her Majesty's Consul-General at New York, and Her Majesty's Consuls at Philadelphia, Charleston, and New Orleans, as being deserving of especial appreciation.

I should have been glad had I been able to report more directly on the practical working of the Liquor Laws in this country, that being the point to which much importance is evidently attached in his Lordship's despatch; but Her Majesty's Consular officers have been, with a very few exceptions, unable to supply me with reliable data which might show the results, successful or otherwise, of the several kinds of legislation adopted with the view to the promotion of Temperance, such data being almost entirely unobtainable. Any opinion on this point must be arrived at from hearsay, and an appreciation of surrounding circumstances.

I have, &c.,
(Signed) H. G. EDWARDES.

* Miscellaneous Series No. 78.

The last report on this subject was terminated on October 15, 1887. Since that date there have been in some States changes in the legislation on the subject, and in many there has been attempted legislation, defeated either by the popular vote, by the Legislature, or by the veto of the Governor of the State. The important movements of the above nature are given in the following report. In those States to which no reference is made, no legislation or attempted legislation worthy of note has taken place since the above-mentioned date.

A Supplementary Report on the Liquor Traffic Legislation in the United States.

New York.*

In 1888 a Bill was passed by the Legislature to appoint commissioners to revise, simplify, arrange, and consolidate all the statutes of the State in any way relating to the disposition, use, or sale of intoxicating liquors, and to submit to the Legislature a revision and combination of the statutes as aforesaid, together with a Bill for such amendment or repeal of existing statutes as should seem necessary; and if, in the judgment of the commissioners, existing statutes could not be so altered, revised, amended, or repealed as to provide for a clear, harmonious, and positive excise system, adapted to the requirements of the people of the State, they should submit to said Legislature a Bill providing for an improved excise system for the State. The commissioners, or the majority of them, submitted to the last Legislature "An Act to revise and consolidate the laws for suppressing intemperance, and for regulating the sale of intoxicating liquors." The Act provided for a Board of Excise for each city and town, consisting of three commissioners, in cities to be appointed by the mayor, and in towns to be elected in the same manner as other town officers, no person to be eligible for the office of commissioner who was engaged or interested in the sale or manufacture of intoxicating liquors. The commissioners were required by the Act to meet once in each month for the purpose of receiving, considering, and, in proper cases, granting applications for licenses, but in no case should a greater number of licenses be issued permitting the sale of intoxicating liquors to be drunk upon licensed premises, other than hotels and inns, than had been issued prior to the Act taking effect, whenever, by the issuing of such a license, the total number of such licenses in force in any city or town would be made to exceed the ratio of one such license for every 500 of the population of such city or town.

The fees for the licenses were to be as follows:—

Hotels and inns, in cities, not less than 100 dol. (20*l.*), and not more than 500 dol. (100*l.*) per annum.

Hotels and inns, in towns, not less than 75 dol. (15*l.*), nor more than 250 dol. (50*l.*).

Saloons, in cities, spirits, wines, &c., not less than 300 dol. (60*l.*), nor more than 500 dol. (100*l.*).

* There having been no census taken since the publication of the last report on this subject, the population remains the same as given therein.

Saloons, in cities, wines and ales only, not less than 60 dol. (12*l.*), nor more than 100 dol. (20*l.*).

Saloons, in towns, spirits, wines, &c., not less than 100 dol. (20*l.*), nor more than 200 dol. (40*l.*).

Saloons, in towns, wines and ales only, not less than 40 dol. (8*l.*), nor more than 100 dol. (20*l.*).

Storekeepers permitting sales therein of unbroken packages, in cities, not less than 75 dol. (15*l.*), nor more than 250 dol. (50*l.*).

Storekeepers permitting sales therein of unbroken packages, in towns, not less than 50 dol. (10*l.*), nor more than 150 dol. (30*l.*): druggists 20 dol. (4*l.*).

The Act made it a misdemeanour to sell intoxicating liquors of any kind, knowingly, to any minor under 18 years of age, to any intoxicated person, habitual drunkard, or apprentice.

Five members of the commission agreed upon this Bill, two objecting—one on the ground that the proposed license fees were too high, and the other that they were too low. The proposed Bill was not favourably received, although it was regarded as a compromise act. A substitute was prepared, and passed the Senate and Assembly, but was vetoed by the Governor of the State, together with another Bill, called the Veddes Bill, founded on the Bill of the same name, with changes to make it more in accordance with the views of the Governor, expressed in his veto of the original Bill in 1887.

The Government gave many reasons for vetoing the first Bill, the principal of which are the absence of any provision for the licensing of eating-houses, steamboats, and railroad cars; depriving saloons, in cities, of the right which they have long enjoyed to sell beer of any kind by the bottle or in quantity; depriving the druggists of the license to sell alcoholic liquors for medicinal purposes, except upon a physician's prescription in each case; and that it repeals the Act passed in 1887 in regard to the sale of spirituous liquors, wine, ale, or beer, in quantity of five gallons or upwards at a time. The reasons given for the vetoing of the Veddes Bill were that the money received from licenses was not credited to the town, city, or village in which it was collected in reduction of its share of State taxation, but to the county in which the town, village, or city was situated; that the Bill was solely a revenue measure, its professed object being to realise more moneys in the way of taxes on liquor traffic; and that this can now be done by the local authorities under existing excise laws in nearly every county in the State. New York, by the vetoing of these two Bills, remains in the same condition as it was when the last report on this subject was furnished.

Local option has not been availed of to any extent in this State in the direction of prohibition. A very few agricultural towns have adopted it, but there are no available statistics as to the actual number. The Prohibition Party were disappointed at the result of the vote in this State, it having fallen off from 41,850 in 1887 to 30,188 in 1888.

New Jersey.

In March, 1888, the Legislature of New Jersey passed a local option law, giving to the electors of counties the power to elect whether intoxicating liquors should be sold within the limits of the county or not, the decision arrived at to be binding for three years.

The election to be called for the purpose of voting on this question was to be upon an application by petition of one-tenth in number of the legal voters of the county to the circuit judge. Where licenses were granted the fee was fixed at not less than 100 dol. (20*l.*) in townships, boroughs, or cities, having a population of not over 10,000; at not less than 150 dol. (30*l.*) where the population was over 3,000 and under 10,000; and at not less than 250 dol. where the population was over 10,000. This law was repealed by an Act of the Legislature in March of this year, under which licenses are to be granted on payment of the same fee as in the repealed Act; but the Act requires that licenses must be obtained upon payment of the same fee for the sale of intoxicating liquors in quantities of one quart to five gallons. Under this Act, upon application by a petition signed by one-fifth of the legal voters of any township, borough, or city to the circuit judge, setting forth the desire of the petitioners that not less than a certain sum of money, to be named in the petition, shall be paid for licenses to sell intoxicating liquors in quantities of less than one quart, an election shall be held to determine whether licenses shall be issued in accordance with the desire of the petitioners or not.

Connecticut.

This State continues a "local option" State. By an Act passed in 1888, 25 legal voters can, by petition, cause a ballot to be taken at the next town meeting to determine whether any person shall be licensed to sell spirituous liquors in said town. Licenses are fixed at from 100 dol. (20*l.*) to 500 dol. (100*l.*), as the town commissioners may determine, in each particular case. The recent town elections have resulted much more favourably than usual for licenses.

A vote was taken a short time back, in this State, on a proposed amendment to the constitution prohibiting the manufacture and sale of intoxicating liquors, the numbers being for prohibition 22,379, against 49,974.

Delaware.

A high license Bill has been adopted, fixing 300 dol. (60*l.*) for Wilmington, and 200 dol. (40*l.*) for the rest of the State. An applicant for a license must be recommended by 12 respectable citizens, one-half of whom must be freeholders. A local option Bill passed the Lower House, but was defeated in the Senate.

Rhode Island.

This has been a prohibition State since April, 1886, when a

prohibitory amendment to the constitution was adopted—24,343 being cast, 15,113 approving—but on May 30 this year the following proposition of amendment to the constitution of the State was declared, approved, and ordered to be published and submitted to the electors for their approval or rejection at meetings of the electors to be held on the third Thursday in June, 1889:—

"*Article* 8.

"Article V. of the amendments to the constitution of this State is hereby annulled." This article is the prohibition amendment, and in accordance with the notice the election was held on June 20 with the following result:—Approve, 28,407; reject, 9,852; majority, 18,555—majority in excess of the necessary three-fifths to amend an article of the constitution, 5,451. This result is a great blow to "prohibition"—all the greater that "prohibition" had been engrafted into the constitution of the State; and the change in public opinion, after three years' trial, is proof of the failure of the policy, and will result in practical legislation. A special meeting of the Legislature will be called soon after the official announcement of the vote, and it is believed that a "high license" law will be adopted, with probably a local option clause.

Massachusetts.

In this State an article of amendment of the constitution forbidding the manufacture and sale of intoxicating liquors—that is to say, to establish prohibition in the State—was submitted to the popular vote, and defeated; the figures being—for prohibition, 81,724; against, 125,689.

A proposal was defeated in the Legislature that women should have the right to vote on the local question of granting licenses for the sale of liquor.

A law was passed that the number of licenses to be granted in towns in which the local vote should be in favour of granting licenses was to be limited to one license for every thousand of the population, the fees for the first five classes of license being reduced in amount.

New Hampshire.

A prohibitory amendment was rejected in this State.

South Carolina.

The following is a copy of the general statutes in force in this State in reference to the granting of licenses for the sale of liquors. In addition to the fee for a license granted by municipal authorities, every licensee has to provide himself with a United States internal revenue law license, which costs 25 dol. (5*l.*) and upwards per year. Such a license is naturally of no avail in places where prohibition may exist.

COPY of Chapter 55, General Statutes of South Carolina, in reference to the granting of Licenses for the Sale of Liquor, &c.

Sale of liquors confined to incorporated towns.

Section 1731. No license for the sale of spirituous or intoxicating liquors shall be granted in South Carolina outside of the incorporated cities, towns, and villages of this State; and it shall be unlawful for any person or persons to sell such liquors without a license so to do.

Municipal license to be granted only on payment of 100 dol. to a county treasurer for county purposes.

Section 1732. No license for the sale of intoxicating liquors shall be granted by any municipal authorities in any city, town, or village in this State, except upon the payment, by the person applying for the same, to the treasurer of the county in which such city, town, or village is situated, the sum of 100 dol. (20*l.*) in addition to the license charged by such city, town, or village for the use of such county to be applied to the ordinary expenses of the county.

Beverages of which spirituous liquors are ingredients prohibited.

Section 1733. Hereafter the sale of all wines, fruits prepared with spirituous liquors, bitters, or other beverages of which spirituous liquors form an ingredient, is hereby prohibited within the limits of this State, except in the incorporate limits of cities, towns, and villages, where they shall only be sold under the same terms as intoxicating liquors, as provided for in the preceding section.

Penalty for violations. Disposition of fines. Duty of county commissioner.

Section 1734. Any person violating any of the provisions of this chapter shall, upon conviction thereof, be fined in a sum of not less than 200 dol. (40*l.*), or imprisoned for a term of not less than six months, or both fined and imprisoned in the discretion of the court trying the case, provided that one-half of all fines imposed and collected on any conviction under this chapter shall be paid to the officer or person detecting and reporting violations thereof, on the warrant of the county commissioners of the county in which such conviction shall be had, if claimed by such person, with the certificate of the solicitor and clerk of the court that he is entitled to the same, the other half of said fines, and any sums not claimed as above provided, to be held by the treasurer of such county for the use of the county. The county commissioners of each county are specially charged with the duty of obtaining information as to the violation of any of the provisions of this statute, and with the duty of instituting prosecutions therefor.

Not to authorise in cities, &c., where prohibited by ordinance. Exceptions.

Section 1735. Nothing herein contained shall be construed to authorise the issuing of any license for the sale of intoxicating liquors in any city, town, or village within this State, where the sale of such liquors is now or may hereafter be prohibited either under Act of the General Assembly or by ordinance of the respective municipal authorities of said city, town, or village.

Nothing in this chapter contained shall be held to apply to sales by the manufacturers in quantities not less than one gallon of domestic wine, manufactured by them from grapes grown within this State, nor to the sale by licensed distillers in original packages of not less than 10 gallons of spirituous liquors distilled by them within this State. Provided that such sale by licensed distillers shall only be made on the premises where the said spirituous liquors are manufactured.

Licenses, how obtained in incorporated cities.

Section 1736. The proper municipal authorities of all incorporated cities, towns, and villages, shall have power to grant licenses to retail spirituous liquors inside the incorporated limits of such cities, towns, and villages, in quantities less than one quart to keepers of drinking saloons and eating-houses, apart from taverns, and to fix the price of the same, which shall not be less than 75 dol. (15*l.*), the person to whom the same is granted being first recommended by six respectable taxpayers of his neighbourhood, and entering into a bond in the sum of 1,000 dol., with three good sureties, for the keeping of an orderly house and for the due observance of all laws relating to the retailing of spirituous liquors.

Licenses for wines, cider, &c., how obtained.

Section 1737. The proper municipal authorities of all incorporated cities, towns, and villages, shall have power to grant licenses for the retailing of wine, cider, brewed or malt liquors, within the incorporated limits of said cities, towns, and villages, upon the payment of a license fee of not less than 25 dol. (5*l.*), the person to whom the said license is granted being first recommended by six respectable taxpayers of his neighbourhood, and entering into a bond in the sum of 500 dol. (100*l.*), with two good sureties, for the keeping of an orderly house, and for the observance of all laws regulating the sale of such liquors, and that he will not sell spirituous liquors or any admixture thereof.

Selling liquor to known intemperate persons a misdemeanour. How punished. Wife forbidding sale to, may have action.

Section 1738. Wilfully furnishing any intoxicating drink, by sale, gift, or otherwise, to any person of known intemperate habits, or to any person when drunk or intoxicated, or to a minor, or to any insane person, for use as a beverage, shall be held and deemed a misdemeanour, and upon conviction thereof the offender shall be fined not less than 10 dol. (2*l.*), nor more than 100 dol. (20*l.*), and imprisoned not less than 10 days, or more than 30 days; and it shall be lawful for any member of the family, or blood relation, or guardian of such intemperate person, or minor, or for the committee of such insane person, or for any trial justice of the township where any or either of such persons reside, or have their legal settlement, to give a notice in writing to any person or persons engaged in retailing, selling, or having intoxicating liquors, forbidding him or them, as the case may be, from furnishing such intemperate person, minor, or insane person with intoxicating drinks or liquors; and if, within three months of the time of such notice, any person to whom the same is given shall furnish, or cause to be furnished, any intoxicating liquors to such intemperate person, minor, or insane person to be used as a beverage, he or they shall be held severally responsible for any injury to person or property which may occur in consequence of such furnishing, and any one aggrieved may recover damages against the person so furnishing by an action instituted in any court of this State having jurisdiction in civil actions; and in case any wife shall give such notice, she shall be entitled to recover from the person furnishing intoxicating liquor to her husband, in an action in her own name, such damages as any court or jury may award for the maintenance of herself and

family during the period when her husband, by reason of such furnishing, is incapable of providing for the proper support of her or them; and in any action brought in accordance with the provisions of this section, the bond of the person furnishing intoxicating drinks or liquors shall be liable for the damages recovered to the extent of the penalty thereof, in case the same cannot be satisfied out of the property of the defendant in such action.

Punishment for being drunk in streets.

Section 1739. Any person who shall be found drunk or grossly intoxicated in any street, highway, public-house, or public place, shall be fined upon view of, or upon proof made before, any mayor or other municipal officer or trial justice, not exceeding 5 dol. (1*l.*), and if the same is not paid, imprisoned not exceeding five days; and any person who shall sell intoxicating liquors to such person, to be drunk on the premises where sold, whereby the said person shall become intoxicated, shall, besides his liability under preceding section, be liable to pay to the wife, parent, child, or guardian of the person so found intoxicated, the sum of 5 dol. (1*l.*) for every such offence, to be recovered in an action for debt before any trial justice having jurisdiction of the person of the defendant; provided that no suit shall be instituted after 10 days from the commission of the offence mentioned in this section.

Liability of seller on account of riot.

Section 1740. Whenever any riot or other breach of the peace shall occur at, or within, any tavern, drinking saloon, or other place where intoxicating liquors are sold, the proprietor or keeper of such place shall be deemed and taken to be an aider and abettor in such riot, or other breach of the peace, and shall be liable to be prosecuted and punished as such, unless such person can show that such riot or other breach of the peace was not caused by the persons engaged therein becoming intoxicated on such premises.

Sale of liquors on Sunday unlawful.

Section 1741. It shall not be lawful for any person to sell, trade, or barter any spirituous or malt liquors, cider, or wine on Sunday; and any person so doing shall be liable to a fine of not less than 10 dol. (2*l.*) or more than 200 dol. (40*l.*), or imprisonment for not less than 10 days or more than two months.

Fee for quart licences-proviso.

Section 1742. The municipal authorities of incorporated cities, towns, and villages shall have power to grant licenses for the sale of intoxicating liquors by the quart, upon the payment of license fees, as heretofore required; and any person to whom such license is granted, who shall permit such intoxicating liquors to be drunk on the premises where sold, shall forfeit his license, and the same shall not be renewed within a year from the time of forfeiture. All of the provisions of this chapter forbidding the sale of liquors, at certain times therein mentioned, shall be applicable to the sale of liquors, as provided for in this section, and like penalties shall be inflicted upon any who, under licenses granted in accordance with this section, shall make sales at the period therein prohibited: Provided, that no license shall be granted until the person or persons so recommended or applying shall have first paid to the county treasurer of the respective county the license fee herein

authorised, and shall present the receipt of the treasurer as the evidence of said payment.

Druggists to sell only on prescription.

Section 1743. It shall not be lawful for any apothecary or druggist, except upon the prescription of a regular physician for a patient, upon whom he is in attendance, or other person, to sell, trade, or barter any bitters of which spirituous or malt liquors are an ingredient, or any other medicated liquors, by the bottle, or by the drink, to any person, unless such apothecary, druggist, or other person shall obtain a license to such sell liquors as provided in this chapter: Provided that upon obtaining such license, such apothecary, druggist, or other person shall be entitled to sell other liquors as in case of persons having licenses to sell by the quart. Any apothecary, druggist, or other person violating the provisions of this section, shall, upon conviction, be subject to the same penalties as are prescribed by law for persons selling spirituous liquors under like circumstances without a license.

Informers entitled to one-half of fees residue applicable to county purposes.

Section 1744. It shall be the duty of the court, mayor, or other municipal authority of a city, town, or village, or trial justice, before whom any fine may be recovered, in accordance with the provisions of this chapter, to award to the informer, or prosecutor, a reasonable share thereof for his time and trouble, but not in any case exceeding one-third, and the residue as well as the proceeds of all forfeited bonds shall be paid to the county treasurer for the use of the county.

Licenses to be exposed to public view: liquors to be sold in room fronting public street.

Section 1745. All persons engaged in retailing liquors under licenses granted in accordance with this chapter shall expose their license to public view in their chief place of making sales, and no such license shall authorise sales by any person neglecting this requirement. Any person who shall be convicted for retailing without license, or selling, or delivering spirituous liquors on the Sabbath day, shall not be entitled to receive a license for two years next succeeding the date of the last conviction, and any license granted to such person shall be utterly without effect and shall afford no protection. And every person taking out a license for the sale of spirituous liquors, as aforesaid, shall sell the same in a room fronting the public street, without any screen, curtain, or other device for preventing the passing public from fully viewing what may be transpiring within.

Municipal authorities to grant or refuse license as decided by special election.

Section 1746. Whenever a number of citizens of any incorporated city, town, or village in this State, equal to one-third of the number of votes cast in the next preceding municipal election therein, shall in writing on or before November 15, in any year, petition for an election of "License" or no "License" for the sale of intoxicating liquors therein, the council of such city, town, or village is hereby authorised and required to submit such question to the qualified electors of such city, town, or village, at a special election to be held therein, on or about December 1 following; and if a majority of said electors vote in favour of "License," then the council of such city, town, or village shall grant license, according to the laws now in force in the State, for the sale of liquors in such city, town, or village for the ensuing year;

but if a majority of said electors vote in favour of no "License," then it shall be unlawful for the Council of such city, town, or village so voting to grant any license for the sale of any spirituous or intoxicating liquors, bitters, or fruits prepared with such liquors for the ensuing year.

Licenses to end on December 31.

Section 1747. Hereafter, all licenses for the sale of spirituous or intoxicating liquors in the incorporated cities, towns, or villages of this State shall be granted in such manner as to end on December 31, in the year for which they shall be granted.

Licenses granted or refused until another election.

Section 1748. Whenever a majority of the electors of any incorporated city, town, or village, vote in favour of "license," such license shall be granted from year to year, until another vote shall be had under the provisions of this Chapter with a different result; and whenever a majority of such electors vote in favour of "no license," the Council of such city, town, or village, shall from year to year, refuse to grant licenses until another election shall be held under the provisions of this chapter, with different result.

Cities and towns except.

Section 1749. This chapter shall not apply to any city, town, or village in which the sale of ardent spirits is now, or shall hereafter be, prohibited by legislative enactment.

Sales by druggist on certificate of physician.

Section 1750. Whenever the majority of the electors of any such incorporated city, town, or village shall vote in favour of no "License," it shall be unlawful for any druggist therein to sell, during the time when no licenses for the sale of spirituous liquors are granted, any spirituous or intoxicating liquors, bitters, or fruits prepared with such liquors, except upon the certificate of a regular practising physician in actual attendance upon a patient, such certificate to contain the name of the patient, and shall be filed by the druggist filling the same, and kept for the period of one year, subject to inspection at any time the council for such city, town, or village may direct.

Physicians not to prescribe except to patients.

Section 1751. It shall be unlawful for any physician to give a prescription for any such liquors, except when actually in bonâ fide attendance upon a patient.

Penalty for violations.

Section 1752. Any person violating sections 1750 and 1751 of this chapter shall, upon conviction be fined in a sum of not less than 200 dol. (40*l.*), or imprisoned for not less than three months, or both fined and imprisoned in the discretion of the court.

Elections conducted as other elections.

Section 1753. All elections under this chapter shall be conducted according to the laws now governing the municipal elections of the city, town, or village in which they are held.

Her Majesty's Consul at Charleston reports that these laws are frequently violated, liquor being generally obtainable in county stores in violation of section 1731. He has been unable to procure any statistics to show in how many of the towns of the State "Prohibition" or "High license" exist. As may be said to be universally the case wherever prohibition does exist, the sale of liquor continues all the same, and conviction by the magistrate of the offender against the law is almost always impossible for want

of evidence. He believes that the high license system has closed up many of the small liquor shops, where the worst quality of liquor was retailed at exorbitant prices.

He reports that of late years, in view of the great feeling which has been shown in the State against the growing evils of intemperance, societies have been formed, whose principal object is to combat the abuse of liquor, such as the Young Men's Christian Association, the Women's Temperance Union, &c. There being no law to punish liquor-sellers who adulterate their goods, adulteration is carried on to an enormous extent, and greatly adds to the fatal results of intemperance.

North Carolina.

The following are the laws in force in this State:—

Copies of those Sections of the Code of North Carolina having reference to the Sale of Liquors by License, Local Option, Prohibition, &c., in the State.

License to retail liquor at Chapel Hill, &c., void.

Section 2640.—Any license granted to retail spirituous or malt liquors, wines, or cordials, at Chapel Hill, or within four miles thereof, shall be void; and no person shall sell directly or indirectly receive any compensation for any spirituous liquors, bitters, or any intoxicating drinks within four miles of the corporate limits of Chapel Hill, Orange County, or within said village.

Places in four miles, &c, for sale of liquors forbidden.

Section 2641.—No person shall erect, keep, maintain, or have at Chapel Hill, or within four miles thereof, any tippling house, establishment, or place for sale of wines, cordials, spirituous or malt liquors.

Violations of preceding sections a misdemeanour.

Section 2646.—Any persons violating the foregoing sections shall be guilty of a misdemeanour, and fined not less than 10 dol. (2*l.*), nor more than 50 dol. (10*l.*), or be imprisoned not less than 10 days nor more than 30 days.

Intoxicating liquors not to be given away or sold on day of election.

Section 2740.—Any person who shall give away, or sell, any intoxicating liquors except for medical purposes, and upon the prescription of a practising physician, at any place within five miles of the polling place, at any time within 12 hours next preceding or succeeding any public election, whether general, local, or municipal, or during the holding thereof, shall be guilty of a misdemeanour, and fined not less than 100 nor more than 1,000 dol.

Local prohibitory laws, or acts repealing such laws not to be passed without notice.

Section 3111.—Notice of all applications to the general assembly to prohibit the sale of spirituous liquors, or to repeal any law prohibiting the sale of spirituous liquors within the limits specified, shall be posted at four public places within the specified limits for at least 30 days before said application or petition shall be forwarded to the general assembly, and evidence that notice has been posted as required shall accompany the petition.

The question of prohibition in certain localities to be decided by a vote of the people.

Section 3112.—In all cases where prohibition is asked for a greater distance, from a common centre, than two miles, the question shall be decided by the qualified voters of the interested district at an election held according to this chapter.

Election may be held on the question of the sale of liquors one Monday in May of any year.

Section 3113.—It shall be the duty of the Board of Commissioners of any county, upon petition of one-fourth of the qualified voters of any county town, or township, in their respective counties, to order an election to be held on the first Monday in May in any year, to ascertain whether or not spirituous liquors may be sold in said county, town, or township.

Rules for holding the election.

Section 3114.—Such county, town, or township election, when so ordered, shall be held, and returns made, under the same rules and regulations as prescribed for holding elections for members of the general assembly, so far as the same may be applicable, except as herein modified.

All qualified electors entitled to vote—form of ballots.

Section 3115.—Any person allowed to vote for members of the general assembly shall have the right to vote at such elections, at the place where he is allowed to vote, and every such voter who favours the prohibition of the sale of spirituous liquors in the county, town, or township, as the case may be, shall vote a ticket, on which shall be written or printed the word "Prohibition," and every such voter who favours such sale shall vote a ticket on which shall be written or printed the word "License."

The effect of the election if in favour of prohibition.

Section 3116.—If a majority of the votes cast at any such election in any county, town, or township shall have written on them the word "Prohibition," then and in that case it shall not be lawful for the Board of Commissioners to license the sale of spirituous liquors within such county, town, or township, until another election be held reversing said election, and if any person shall sell any spirituous liquor within such county, town, or township, such person offending shall be guilty of a misdemeanour; but if a majority of the votes so cast shall have written or printed on them the word "License," then spirituous liquors may be sold in such county, town, or township, as provided by law, and not otherwise. Provided nothing herein shall affect localities in which the sale of spirituous liquors are prohibited by law.

The effect on a county election in favour of license.

Section 3117.—Should a majority of the votes cast in a county election be in favour of "License," the result shall not operate to permit the sale of spirituous or malt liquors in any township, city, or town where the sale of such liquors is prohibited by law, unless in such county election such city, town, or township shall have cast a majority of votes in favour of "License."

Duty of county commissioners.

Section 3118.—Whenever any county, township, city, or town shall vote in favour of "License," the Board of Commissioners of the county shall grant licenses for the sale of spirituous liquors to all persons applying for the same according to law.

Retail liquor dealers; how to obtain license.

Section 3701.—Every person desiring to sell spirituous or malt liquors, cordials, or bitters, in quantities less than a quart, shall, before engaging in said sale, file his petition, stating the place and house in which he proposes to retail, and obtain an order to the sheriff from the Board of Commissioners of the county to grant him a license to retail at that place, which order they shall grant to all properly qualified applicants, and if granted he may take out a license and shall pay the tax therefor in advance; and every retail dealer of malt liquors shall also pay the license

tax in advance, and no license shall be issued for a shorter time than twelve months. Any grocer, druggist, dealer, or other person who shall sell spirituous or malt liquors, wines, or cordials in any quantity, if the same or any portion thereof shall at any time be drunk upon the premises where such liquors, wines, or cordials are sold, shall be considered a retail dealer within the meaning of this section: Provided this section shall not be construed to repeal or alter the provisions of any special Act prohibiting the sale of liquors in any particular locality.

Georgia.

The British Vice-Consul at Savannah reports that Georgia might be properly called a Prohibition State, the issue of licenses being governed by a "Local Option" law (copy annexed), the passage of which was considered imperative on account of the great increase of intemperance in the State since the termination of the civil law, before which time it was illegal to sell intoxicating liquors to slaves. The result of this law has been a very extensive verdict in favour of prohibition.

Laws Governing the Sale of Liquors in the State of Georgia, U.S.A.

Special tax on dealers.

809A. The Tax Act of 1880 provides for levying a specific tax of 25 dol. upon all dealers of spirituous or malt liquors, and intoxicating bitters, whether dealing in either or all thereof, for each place of business in each county where the same are sold, and the collection of such tax is provided for in the sections following:—

Registration of dealers.

809B. From and after the 1st day of April, 1882, each person or firm desiring to engage in the sale of spirituous or malt liquors, or intoxicating bitters, or in either or all of them, in this State, shall, before he or they commence the sale of such spirituous or malt liquors, or intoxicating bitters, go before the ordinary of the county in which he or they propose to sell said spirituous or malt liquors, or intoxictating bitters, and register his or their names as such dealers.

Ordinary to give notice of registration.

809C. As soon as the dealer has registered, as provided in the preceding section, it shall be the duty of the ordinary to notify the Comptroller-General of the State, and the tax-collector of his county, of the fact that such person, or the members of such firm, have registered his or their names as a dealer in spirituous or malt liuqors, or intoxicating bitters.

Comptroller to keep register.

809D. It shall be the duty of the Comptroller-General to keep in his office a book, to be known and styled as a register of "Liquor Dealers," and it shall be his duty, when notified by the ordinary, as provided in the preceding section, of a person, or the members of such firm, registering for the purpose of engaging in the sale of spirituous or malt liquors, or intoxicating bitters, to enter the name of such person, or the members of such firm in said book, said entries to be made in places set aside in said book of registry for each county in this State.

Tax-collectors' duty.

809E. It shall be the duty of the tax-collector, as soon as he is notified of the registering of a person, or the members of a firm, as

a dealer in spirituous or malt liquors, or intoxicating bitters, as provided in section 809C, to enter the name of said person, or the members of such a firm, in a book to be known as a county register of liquor dealers, said book to be furnished by the tax-collector as hereinafter provided.

Dealers to pay tax upon registration.

809F. Whenever a person, or members of a firm, register, as provided in section 809B, it shall be the duty of such person, or members of such firm, to pay to the tax-collector of the county where such registry is made, the entire amount of the tax imposed for that year by the general assembly in the General Tax Act, before commencing to do the business for which he or they registered.

Penalty for failure to register and pay tax.

809G. Where a person, or members of a firm, register as a dealer in spirituous or malt liquors, or intoxicating bitters, and fail or refuse to pay the tax as provided in section 809F, or where a person, or members of a firm, commence to sell spirituous or malt liquors, or intoxicating bitters, without complying with the requirements of section 809B, such person, or members of such firm, shall be guilty of a misdemeanour, and it shall be the duty of the tax-collector to give information against such person, or members of such firm, so violating the provisions of the preceding sections, to the Solicitor-General of the circuit in which his county is located, and it shall be the duty of the Solicitor-General to draw up a bill of indictment against such person, or members of such firm, and when there is a true bill found by the grand jury he shall prosecute such person, or members of such firm, so indicted. On conviction of the offender or offenders, he or they shall be punished as prescribed in section 4310 of this code.

Liability of tax-collector who fails to inform.

809H. Whenever a tax-collector fails or refuses to give the Solicitor-General the information provided in section 809G, it shall be the duty of the governor, upon proper proof being made before him of such failure or refusal by the tax-collector, to give information to the Solicitor-General to order the Comptroller-General to issue fi. fa. against such tax-collector and his bondsmen for the amount of the tax which is due by the offender who has violated the provisions of the preceding sections as aforesaid, and against whom the tax-collector has failed or refused to inform.

Comptroller to furnish register, &c.

809I. It shall be the duty of the Comptroller-General to furnish each ordinary and tax-collector with a book, upon which they shall enter the name and place of business of each person or members of a firm registering as a dealer in spirituous or malt liquors, or intoxicating bitters. In the case of the ordinary, it shall be his duty, in registering the same, to give the name, place of business, and when registered. In case of the tax-collector, it shall be his duty to enter the name of the person, or members of a firm, registered with the ordinary, date when notified by the ordinary (as provided in section 809C), date when tax was paid him, amount of tax paid, and date of remitting same to the treasurer of the State.

Collector to report and remit tax.

809J. It shall be the duty of the tax-collector to make quarterly reports of the amounts collected from dealers in spirituous or malt liquors, or intoxicating bitters, to the Comptroller-General

under oath, to be administered by any duly qualified officer, and it shall be the duty of the tax collectors to remit to the Treasury of the State the amount of their collections, less commissions, at the time of forwarding their quarterly reports to the Comptroller General.

Fees of ordinary and collector.

809K. The commission to be allowed to the tax collectors for collecting these special taxes shall be the same percentage as is now allowed them by section 936 for collecting the general tax in their respective counties, upon the amount collected, and that the fee to be allowed the ordinary for registering the name of the dealer in spirituous or malt liquors, or intoxicating bitters, shall be the same as now allowed by section 3694 of the code for recording an official bond, provided said fee is paid by the party registering.

United States or local laws.

809L. No requirement of sections 809B to 809M inclusive, shall be construed to relieve those so registering from any requirement imposed upon liquor dealers by the laws of the United States, nor from any local tax or prohibitory law in reference to dealers in spirituous or malt liquors, or intoxicating bitters.

Inspection of registry.

809M. It shall be the duty of the ordinary and tax collector to lay before the Grand Juries of their respective counties, at the fall term of each meeting of their Superior Courts, the books of registry kept by each of them, and it shall be the duty of the Grand Jury to inspect said registers and compare one with the other, and having made such inspection, if any discrepancies are found in said books, or if they find there are any dealers in spirituous or malt liquors, or intoxicating bitters, doing business in their county not reported, or registered on such books, it shall be their duty to report such discrepancy to the Comptroller General, and it shall be his duty, if the discrepancy is found to be in favour of the State, to issue "fi. fa." against said collector for the amount so reported by the Grand Jury as being due the State, and if a person or the member or members of a firm engaged in this sale of spirituous or malt liquor, or intoxicating bitters, have failed to register, or, having registered, have failed to pay, it shall be their duty to indict such persons as provided in section 809G of this article, the penalty on conviction to be as prescribed in section 4310 of the code.

License to retail liquors

Persons before obtaining license to retail spirituous liquors must apply to the ordinary of the county in which they desire to retail, who have power to grant or refuse such application; when such application is granted and entered on the minutes the applicant shall execute a bond, with sufficient security, in the sum of 500 dol., payable to such ordinary, conditioned to keep an orderly house, and to abide faithfully by the oath to be taken by him, which bond shall be taken and approved by the ordinary, filed in his office, and recorded in the book kept for that purpose. Any person aggrieved may bring suit on such bond. Licenses granted in any other way are void. They shall also at the same time, before said ordinary, take and subscribe the following oath:—

"I swear that I will not during the next 12 months, sell,

barter, give, or furnish spirituous or intoxicating liquors in any quantity to any minor, either white or coloured, without the consent of his or her parents or guardian, and that I will not allow others to do so for me with my knowledge or consent. So help me God."

Oath of vendors of less than one gallon.

By the first day in June in each year, and annually thereafter, vendors of any quantity of spirituous liquors less than one gallon, shall take and subscribe the foregoing oath, and upon neglecting to do so they are subject to all the penalties of retailers without license.

Sale confined to one place.

Such licenses do not authorize the persons to whom issued to retail at more than one place in the county, which place must be stated in the license. Different licenses are necessary for different places.

Corporate towns may grant license.

Said provisions do not apply to any corporation, town, or city, which, by charter, has power to grant licenses; provided the fees for licenses are at least as much in the said city as are required by law in the county.

Selling to one who is drunk.

A seller of spirituous liquors shall not sell or furnish liquors, in any quantity, to any person who is at the time intoxicated or drunk, and for violating this provision he shall not only be liable to all the penalties for retailing without a license, but he shall not recover by law for any spirituous liquors furnished to such person during the current year.

Who is a retailer.

The sale of such liquors in quantities less than one quart make the seller a retailer.

Inspectors of liquors.

It shall be lawful for the several city and incorporate town authorities in this state to elect or appoint an inspector of liquors, spirits, and wines, and vinegar, within their respective jurisdictions, and the ordinary of the several counties shall have the same authority of appointment, within the several counties out of the jurisdiction of the city authorities.

Drugged liquors, selling.

Any person who shall sell, or offer to sell, any liquor, wine, or spirits, or vinegar, knowing the same to be drugged, or after notice shall be given, shall be indicted in the Superior Court of the county where such offence may be committed, and on conviction thereof shall be fined for the first offence, 100 dol. (20*l.*); for the second offence, 200 dol. (40*l.*); for the third offence, 400 dol. (80*l.*); and for the fourth offence 1,000 dol. (200*l.*), and in each case be imprisoned until such fine be paid.

Penalty for making drugged liquors.

If any person shall manufacture any drugged, poisonous, or other deleterious and offensive liquors, wines, or spirit, or vinegar, or adulterate any liquor, wine, or spirits, or vinegar, with poisonous material, such person so offending shall be indicted in the Superior Court of the county where the offence may be committed for a misdemeanor, and on conviction therefor, shall be fined and imprisoned in the common jail at the discretion of the court.

Penalty for selling without inspection.

When an inspection is appointed in any city or town, and due notice given of such appointment, any vendor of such liquors, in any quantity, who shall offer the same for sale before or without inspection, or a *bonâ fide* effort to have same inspected, shall be

guilty of a misdemeanor, and on conviction shall be fined or imprisoned, or both, at the discretion of the court.

Penalty for employing minors in bar-rooms.

It shall not be lawful for any person keeping or carrying on either by himself or by another a bar-room, or other place where spirituous liquors are sold by retail to be drunk on the spot, to employ any minor in such bar-room or other place, and any one violating the provisions of this section shall be guilty of a misdemeanor, and on conviction thereof, shall be punished in one or more of the methods prescribed in Section 4310 of the code.

Penalty for selling liquor on election days.

Any person who shall sell, give, or furnish any spirituous, intoxicating, or malt liquors to any person, in any quantity whatever, within two miles of any election precinct in this State, on days of election, either state, county, or municipal, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished as prescribed in Section 4310 of the code. Provided, that nothing herein contained shall be construed to operate against prescriptions by physicians.

General Local Option Liquor Law.

AN ACT to provide for preventing the evils of intemperance, by local option in any County of the State of Georgia.

Section I. That upon application by petition, signed by one-tenth of the voters who are qualified to vote for members of the general assembly, in any county of this State, the ordinary shall order an election to be held, at the places of holding elections for members of the general assembly, to take place within 40 days after the reception of such petition, to determine whether or not such spirituous liquors as are mentioned in the sixth section of this Act shall be sold within the limits of such designated places. Provided that no election held under this Act shall be held in any month in which general elections are held, so that such elections as are held under this Act, shall be separate and distinct from any other election whatever. Provided further, that the ordinary shall determine upon the sufficiency of the petition presented by the tax books of the year before.

Section II. That notice of such elections to be held as by this Act provided, shall be published once a week for four weeks, in the official organ or organs of the ordinary or Sheriff of the county where such elections are to be held, and such other notice may be given, as the ordinary may think proper, to give general publicity to the election. Such elections shall be held under the same regulations as are now prescribed by law, for holding elections for members of the general assembly, except as otherwise provided by this Act. All persons qualified to vote for members of the general assembly, are qualified to vote under the provisions of this Act. Provided, that they have actually resided within the territorial limits to be affected thereby at least six months next preceding the election.

Section III. That all persons voting at any election held under the provisions of this Act, who are against the sale of intoxicating liquors as are mentioned in the sixth section of this Act, shall have

written or printed on their tickets, "against the sale," and those who favour the sale of the articles mentioned in said sixth section, shall have written or printed on their ballots "For the sale."

Section IV. That all managers of elections held as by this Act provided shall keep, or cause to be kept, duplicate lists of voters and tally-sheets, and it shall be the duty of such managers to deliver one list of the voters and tally-sheets to the clerk of the superior court, to be filed in his office, and one list of the voters, ballots, and tally-sheets to the ordinary, who shall carefully consolidate the returns and decide all questions and contests arising under elections held by virtue of this Act. If the result of any election shall be "against the sale," the ordinary shall publish the same once a week for four weeks in the paper in which he gave notice of the election. This Act shall take effect as soon as said publication has been made the time prescribed, provided no license to sell liquors of any description, prohibited by this Act, shall be granted during said time of publication, except as to vested rights. Within twenty days from the day on which the ordinary declares the result, one-tenth of the number of voters having voted at such election may petition the superior court, setting out plainly and distinctly the cause of contest, when, if the cause set out is such as impeaches the fairness of the election, or the conduct of the ordinary, the judge shall grant an order, directed to three justices of the peace of the county, requiring them to re-count the ballots on a given day, and report the result to the next term of the superior court of that county, or the term of the court to which the petition may be returnable, at which term the case shall be heard. Provided ten days' notice has been given the ordinary of the filing of the petition, but such petition shall not act as a supersedeas of the result as declared by the ordinary, nor shall the judge grant a supersedeas, and the contest so instituted shall not be continued by the superior court, but must be tried and determined at the term to which the same is returnable. Provided such term is held, and if the same is not held, then at the next regular term of the court; and in the event that any one or more of the plaintiffs or defendants to such contests shall die pending the contest, it shall not be necessary to make parties, in place of such deceased party or parties, plaintiff or defendant. Either party may subpœna witnesses to prove either fraud in the ballots, the counting thereof, or in the conduct of the ordinary, or of the managers of the election, and introduce evidence to establish either proposition or the converse thereof. The judgment of the superior court shall be final, unless the case is carried to the supreme court for review. If the election shall appear to have been fraudulently conducted, or the votes fraudulently counted, the judge shall have power to declare the result and overrule the action of the ordinary in the premises.

Section V. That if the result of any election held under the provisions of this Act shall be "for or against the sale," then no other election shall be held in the same county in less than two years thereafter, which must be done upon a new petition, as aforesaid, and by otherwise conforming to this Act.

Section VI. That if a majority of the votes cast at any election, held as by this Act provided, shall be "against the sale," it shall not be lawful for any person within the limits of such county to sell or barter for valuable consideration, either directly or indirectly, or give away to induce trade at any place of business, or furnish at other public places any alcoholic, spirituous, malt, or intoxicating liquors, or intoxicating bitters, or other drinks which if drank to excess will produce intoxication, under penalties hereinafter prescribed.

Section VII. That Section 4570 of the Code of 1882, in regard to prohibiting the sale or furnishing of spirituous liquors on election days, shall apply to all elections held under the provisions of this Act.

Section VIII. That nothing in this Act shall be so construed as to prevent the manufacture, sale, and use of domestic wines or cider, or the sale of wines for sacramental purposes; provided, such wines or cider shall not be sold in bar-rooms by retail, nor shall anything herein contained prevent licensed druggists from selling or furnishing pure alcohol for medicinal, art, scientific, and mechanical purposes.

Section IX. That no elections shall be held under the provisions of this Act for any county, city, town, or any other place in this State where by law the sale of spirituous liquors is already prohibited, either by high license, local option, or other legislation, so long as these local laws remain of force; Provided that no election shall be held under the provisions of this Act where an election has been held under any local Act until two years shall have expired from the date of said election under said local Act where the result was "for the sale."

Section X. That any person voting illegally at any election held under the provisions of this Act, or otherwise violating any provisions of the same, shall, on conviction thereof, be punished as prescribed in Section 4310 of the Code of 1882.

Section XI. That all laws and parts of laws in conflict with this Act be, and the same are hereby repealed.

There are in Georgia 136 counties and in 100 of these the liquor traffic is prohibited. There are only five cities of considerable size, the towns are generally small. Among the non-prohibition counties are all those in which the large cities are situated. Rome, a city of about 10,000 inhabitants, is the largest place where prohibition prevails.

In a large majority of the counties which have adopted prohibition, especially those in the agricultural districts of the State, the results have been altogether satisfactory, and this system has served in high degree to diminish acts of violence and lawlessness.

In other counties of the State it has not worked so well, and in some of these, after a popular election, the traffic has been returned to.

A Justice of the Supreme Court of Georgia in his charge to the Grand Jury declared himself as follows:—

"I have presided as Judge in almost every section of Georgia,

and I find that violations of the criminal law are nearly three-fourths as great in those counties where whiskey is retailed as in the counties where prohibition is enforced and respected."

Tennessee.

In this State, in addition to very stringent liquor license laws, there exists a statute forbidding the sale of intoxicating liquors within four miles of any incorporated institution of learning. This statute, the Governor of the State reports, has been rigidly enforced, and has had the effect to push all the saloons into the incorporated towns, and to materially lessen the number in the State. The Governor considers that, through the rigid enforcement of the four-mile law, of the system of high license, and of the law prohibiting the sale of liquor on Sunday, the ill effects of whiskey are most satisfactorily controlled in the State.

Texas.

Saloons are compelled to close at midnight on week days, and to remain shut until 4 o'clock next morning, and ought to remain closed all day on Sundays, the fine for violation of these laws being not less than 25 dol. (5*l.*) nor more than 100 dol. (20*l.*) for each offence. Practically, a man can enter a saloon by a side door or otherwise any hour of day or night, Sundays included, while it sometimes happens that some saloons remain open all Sunday, paying the fine, so to say, for the privilege.

In August, 1887, the question of prohibition was voted on by the people of the State, who declared themselves by an enormous majority against the system.

Many counties have, however, declared themselves prohibitionist, thus along the Texas and Pacific Railroad from Abilene to El Pass, a distance of over 400 miles, the country is almost entirely prohibitionist, and even the attendants attached to the dining railroad cars are fined if discovered selling liquors to passengers while travelling through prohibitionist counties.

Pennsylvania.

Her Majesty's Consul at Philadelphia, in his Report on the Trade and Commerce of his Consular District for the years 1887 and 1888, refers to the question of high license in the following manner:—

"The most important question before the people of the State of Pennsylvania, and of the whole country at the present time, is that of the coming vote for or against total prohibition of the distilling, brewing, and sale of intoxicating beverages within the State. The Republican party declared to submit the question to a popular vote, and the temperance or teetotal forces are exerting themselves to the utmost to gain a change in the State Constitution, whereby absolute prohibition of the brewing, distilling, sale,

and use of intoxicating liquors shall be the law of the State. In the year 1888 a high license law was enacted, and went into effect. Under this law the license fees were changed from graded licenses, ranging from 65 dol. (13*l.*) to 1000 dol. (200*l.*) to a regular sum of 500 dol. (100*l.*) per annum for all retail licenses with evidence of want of a drinking saloon in the neighbourhood, and of the reputable character of the applicant. This stringent law reduced the number of bar-rooms from 5773 to 1346, closed most of the notoriously disreputable groceries, effectually stopped the sale of liquor by the licensed houses on Sundays, and greatly reduced the criminal statistics.

"Taking the criminal records of the city of Philadelphia as an evidence of the beneficial results of this high license law, it is seen that during the seven months of 1887, before the law went into effect the commitments for intoxication to the county prison were 11,137, while for the seven months of 1888, under the high license law they fell to 5947, being a sudden reduction of about 50 per cent.

"Still more remarkable are the statistics of the Monday morning commitments, that is to say, imprisonment for the non-payment of fines imposed by the magistrates for arrests and riotous conduct on Sunday. To the seven months of 1887, they were 865. while in the first seven months of 1888, under high license, they were 246, being on some days none at all. This favourable showing is equally if not more prominently apparent in the statistics of the House of Correction.

"The following tables speak for themselves.

TABLE showing Number of Intoxication Commitments to the County Prison during the Period from June 1 to December 31 of the Years 1887 and 1888.

Months.	1887.			1888.		
	Males.	Females.	Total.	Males.	Females.	Total.
June	1,452	277	1,729	697	103	800
July	1,380	263	1,643	691	106	797
August..	1,370	284	1,654	818	119	937
September	1,347	297	1.644	867	140	1,007
October	1,322	284	1,606	728	104	832
November	1,175	228	1,403	629	144	773
December	1,196	262	1,458	693	108	801
	9,242	1,895	11,137	5,123	824	5,947

Total committed for intoxication, June 1 to December 31, 1887 ..	11,137
" " " " " 1888 ..	5,947
Decrease in commitments for the year 1888	5,190

TABLE showing Monday Morning Intoxication Commitments to the Philadelphia County Prison during the Period from June 1 to December 31 of the Years 1887 and 1888.

1887.				1888.			
Monday.	Males.	Females.	Total.	Monday.	Males.	Females.	Total.
June 6	34	6	40	June 4	6	1	7
,, 13	46	4	50	,, 11	5	...	5
,, 20	30	6	36	,, 18	5	2	7
,, 27	22	2	24	,, 25	5	2	7
July 4	22	1	23	July 2	9	1	10
,, 11	17	3	20	,, 9	3	1	4
,, 18	15	3	18	,, 16	8	1	9
,, 25	20	5	25	,, 23	...	...	...
August 1	22	3	25	,, 30	4	...	4
,, 8	25	2	27	August 6	9	...	9
,, 15	34	5	39	,, 13	9	1	10
,, 22	32	1	33	,, 20	14	2	16
,, 29	19	...	19	,, 27	7	1	8
September 5	35	2	37	September 3	9	2	11
,, 12	46	6	52	,, 10	15	1	16
,, 19	30	2	32	,, 17	15	2	17
,, 26	24	1	25	,, 24	15	1	16
October 3	27	3	30	October 1	3	...	3
,, 10	43	5	48	,, 8	10	...	10
,, 17	23	7	30	,, 15	11	3	14
,, 24	19	2	21	,, 22	5	...	5
,, 31	20	5	25	,, 29	6	...	6
November 7	28	2	30	November 5	8	2	10
,, 14	15	2	17	,, 12	7	...	7
,, 21	30	1	31	,, 19	6	1	7
,, 28	12	2	14	,, 26	9	1	10
December 5	23	...	23	December 3	2	...	2
,, 12	19	4	23	,, 10	1	...	1
,, 19	17	...	17	,, 17	3	2	5
,, 26	27	4	31	,, 24	10	...	10
				,, 31	...	...	...
	776	89	865		219	27	246

With the view to showing the salutary effects of high license, and of the consequent reduction of the number of drinking saloons, especially of those of a low order, he has now furnished the following returns, from which it will be seen that the greatly reduced number of commitments under the new law is more than a temporary result.

TABLE showing number of Intoxication Commitments for the first five months of 1889.

1889.	Males.	Females.	Totals.
January..	422	78	500
February	380	62	442
March	491	97	588
April	607	94	701
May	657	89	746
	2,557	420	2,977

Since the preparation of the above tables public sentiment has been astir in view of the approaching day for the vote by the people on the proposed amendment to the constitution enacting

absolute prohibition of the brewing, distilling, sale and use of intoxicating beverages within the State. It would appear, however, that as the day for the vote draws nigh the tendency of public feeling is more and more against the adoption of prohibition. The strength of the prohibition party in Pennsylvania is in the farming districts, while in those districts where the larger cities are situated the vote will be against prohibition.

Her Majesty's Consul is of opinion that in view of the universal discussion of the question that has taken place an adverse vote will crush for ever the idea of total prohibition in the State. Public sentiment has increased from day to day in opposition to all laws which may vex the citizen and interfere with individual liberty of action, and it is predicted that the result of the election will be a majority of from 60,000 to 75,000 against prohibition.*

The law of the State of Pennsylvania now governing the liquor traffic is known as the "Brooks High License Act," and is in two Acts of the Legislature, one as to retail dealers, and the other as to wholesale dealers. Under these two Acts the License Courts have used the greatest care and discrimination in the investigation of the cases presented for license, and so careful have been these investigations, and so rigid the administration of the spirit as well as the letter of the law, that out of 3854 applications for licenses for wholesale and retail dealers, brewers and distillers, only 1577 were granted, *i.e.*, 2277 were refused.

A feature in the application to the court for licenses in this second year of the existence of the law was the very largely increased number of applicants for bottling licenses, which were also largely refused. In the early months of the practical working of the law dealers found that they could under a reduced license fee bottle and sell porter and beer in large or small quantities by delivery at residences. This enlarged trade soon proved to be injurious to the morals of the poorer classes, and it became apparent that drinking at home was rapidly on the increase. In consequence of this loose and almost uncontrolled traffic, the judges granted licenses to such applicants only as could prove to the satisfaction of the court that a necessity existed in the neighbourhood for them. It was discovered that bottlers and grocers with bottlers' license sold whiskey in bottles put up and labelled as lager beer. The number of these licenses applied for in 1888 was 119, and the number granted 102; while in 1889 the number applied for was 236, and the number issued 98.

The total number of retail licenses issued in Philadelphia in 1887, before the Brooks High License Act went into operation, was 5773; the total of applications in 1888, under that Act, was 3431, and the total issued, 1343; in 1889 the number of applications was 3214, and of licenses granted, 1202.

* Since Her Majesty's Consul furnished the above report the vote in the State has been taken, with the following result: For prohibition, 296,617; against, 484,644; majority against, 188,027.

The wholesale licenses in 1888 were:—

	Applications.	Licenses.
Wholesale	236	210
Brewers	120	95
Bottlers	119	107
Total	475	395

and for 1889:—

	Applications.	Licenses.
Wholesale	302	198
Brewers	102	76
Bottlers	236	101
Total	640	371

The cost of a license under the present law is:—

Wholesale dealers, brewers, distillers, rectified compounders, storekeepers, and agents in cities of the first, second, and third class, 500 dol. (100*l.*); all other cities, 300 dol. (60*l.*); boroughs, 200 dol. (40*l.*); and townships, 100 dol. (20*l.*).

The license for retail dealers in cities of first, second, and third class 500 dol. (100*l.*); all other cities 300 dol. (60*l.*); boroughs, 150 dol. (30*l.*); and townships, 75 dol. (15*l.*). Bottlers pay in cities of the first, second, and third class 200 dol. (40*l.*), and in all other cities, boroughs, and townships 100 dol. (20*l.*). All applicants engaged a solicitor to represent their cases in the license court.

A very stringent part of the law is Section 17, prohibiting all persons, with or without a license, to furnish by sale, gift, or otherwise, to any person any spirituous, vinous, malt, or brewed liquors on any day of elections, and on Sundays. A violation of this law is made a misdemeanour, subject to a fine of not less than 50 dol. (10*l.*) or more than 500 dol. (100*l.*), and imprisonment of not less than 20, or more than 90 days. This section is virtually a "dead letter," so far as private residences are concerned, but all hotels, grocers, and other dealers in wines, spirits, and malt liquors obey the law to the letter, fearful of the loss of their licenses, as well as the infliction of the fine and imprisonment. It is a curious fact that reports show an increased number of cases of *delirium tremens*, and a greater number of deaths therefrom in the prisons and houses of correction under this law. This is attributed to its rigid execution, thereby causing intemperate persons and habitual drunkards to resort to places where spirits are secretly sold of a very inferior and far more dangerous character.

The following are the liquor license laws in force in Pennsylvania:—

AN Act to Restrain and Regulate the sale of Vinous and Spirituous, Malt or Brewed Liquors or any admixture thereof.

Unlicensed Retail Sales-places Prohibited.

Section I. Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, that it shall be unlawful to keep or maintain any house, room, or place, hotel, inn, or tavern, where vinous, spirituous, malt, or brewed liquors, or any admixture thereof, are sold by retail, except a license therefor shall have been previously obtained, as hereinafter provided.

Retail License Defined and to whom granted.

Section II. Licenses for the sale of vinous, spirituous, malt, or brewed liquors at retail, in quantities not exceeding one quart, shall only be granted to citizens of the United States of temperate habits and good moral charater.

Authority to Grant; Duration of License; Applications and Objections, when and how heard.
Time at which Licenses under Previous Laws shall cease to be Granted.

Section III. Such licenses may be granted only by the court of quarter sessions of the proper county, and shall be for one year from a date fixed by rule or standing order of said court. The said court shall fix, by rule or standing order, a time at which application for said licenses shall be heard, at which time all persons applying or making objections to applications for licenses may be heard by evidence, petition, remonstrance, or counsel: Provided, that licenses under previous laws shall not be granted later than June 30 of this year.

Time at which Applications shall be Filed and Advertised.
Duties of Mercantile Appraisers and District Attorney in Cities of the First Class.
Fees of Clerk of Court of Quarter Sessions, and Mercantile Appraisers.
License to sell in room where Groceries are sold prohibited.

Section IV. Every person intending to apply for a license as aforesaid in any city or county of this commonwealth, from and after the passage of this Act, shall file with the clerk of the court of quarter sessions of the proper county, his, her, or their petition, at least three weeks before the first day of the sessions of the court at which the same is to be heard, and shall at the same time pay said clerks 5 dols. for expenses connected therewith; and said clerk shall caused to be published three times in two newspapers, designated by the said court, a list containing the names of all such applicants, their respective residences and the place for which application is made; the first publication shall be not less than fifteen nor more than twenty-five days before the time fixed by the court: Provided, that no license shall be granted, under the pro-

visions of this Act, to any person to sell in any room where groceries are sold at wholesale or retail: Provided also, that, in cities of the first class in the month of January, in each and every year, it shall be the duty of the mercantile appraisers to return under oath, together with the list of mercantile taxes, all licensed and unlicensed hotel, taverns, inns, restaurants, or saloons, engaged in selling intoxicating liquors, and shall also return a duplicate list of said licensed and unlicensed hotels, taverns, inns, restaurants, or saloons, to the clerk of the court of quarter sessions, and the said list of licensed and unlicensed hotels, taverns, inns, restaurants, or saloons shall be published in the manner now prescribed for the publication of mercantile appraisers' lists, and said list shall contain the name and amount paid by each licensee, and a list of every unlicensed hotel, tavern, inn, restaurant, or saloon; and it shall be their further duty to return to the district attorney in said cities of the first class, the name and residence of every proprietor or keeper of any unlicensed hotel, tavern, inn, restaurant, or saloon, together with the location thereof; and it shall be the duty of the district attorney to forthwith proceed to prosecute each and every offender according to law. And for each and every license granted by the court for any hotel, tavern, inn, restaurant, or saloon, the mercantile appraisers shall receive the sum of 2 dol. 50 c., the said sum to be paid by the applicant or applicants for said license.

Requisites of Petition; Affidavit; Penalty for False Statement. Qualifications of Sureties.

Section V. Said petition shall contain,

1st. The name and present residence of applicant, and how long he has there resided.

2nd. The particular place for which a license is desired.

3rd. The place of birth of said applicant, and if a naturalized citizen, where and when naturalized.

4th. The name of owner of premises.

5th. That the place to be licensed is necessary for the accommodation of the public.

6th. That none of the applicants are in any manner pecuniarily interested in the profits of the business conducted at any other place in said county, where any of said liquors are sold or kept for sale.

7th. That the applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed, and that no other person shall be in any manner pecuniarily interested therein during the continuance of the license.

8th. Whether applicant or any of them, has had a license for the sale of liquors in this commonwealth, during any portion of the year preceding this application, revoked.

9th. The names of no less than two reputable freeholders of the ward or township where the liquors is to be sold, who will be his, her, or their sureties on the bond, which is required, and a statement that each of said sureties is a *bona fide* owner of real estate in the said county worth over and above all incumbrances

the sum of 2,000 dol., and that it would sell for that much at public sale, and that he is not engaged in the manufacture of spirituous, vinous, malt, or brewed liquors.

10th. This petition must be verified by affidavit of applicant, made before the clerk of the court, a magistrate, notary public, or justice of the peace; and, if any false statement is made in any part of said petition, the applicant or applicants shall be deemed guilty of the crime of perjury, and upon indictment and conviction shall be subject to its penalties.

Certificate in Support of Petition.

Section VI. There shall be annexed to such petition a certificate, signed by at least 12 reputable qualified electors of the ward, borough, or township in which such liquors are to be sold, setting forth that they have been acquainted with the applicant or applicants, that they have good reason to believe that each and all the statements contained in the petition are true, and they therefore pray that the prayer of said petitioner be granted, and that the license prayed for issue.

Additional Petitions and Remonstrances.
Discretion of Court in Refusing Licenses, Dependent upon Public Necessity and Fitness of Applicant.
Revocation of License for Violation of Law, After Notice.

Section VII. The said court of quarter sessions shall hear petitions from residents of the ward, borough, or township, in addition to that of the applicant, in favour of and remonstrance against the application for such licence, and in all cases shall refuse the same whenever, in the opinion of the said court, having due regard to the number and character of the petitioners for and against such application, such licènse is not necessary for the accommodation of the public and entertainment of strangers or travellers, or that the applicant or applicants is or are not fit persons to whom such license should be granted; and, upon sufficient cause being shown, or proof being made to the said court, that the party holding a license has violated any law of this Commonwealth relating to the sale of liquors, the court of quarter sessions shall, upon notice being given to the person so licensed, revoke the said license.

Classification for Purposes of License Fees; Appropriation of Fees; Expenses of Collection; Commissions to County Treasurer.

Section 8. That all persons licensed to sell at retail any vinous, spirituous, malt, or brewed liquors, or any admixture thereof, in any house, room or place, hotel, inn or tavern, shall be classified and required to pay annually for such privileges, as follows: persons licensed to sell by retail, resident in cities of the first, second, and third class, shall pay the sum of 500 dol.; those resident in all other cities shall pay 300 dol., and those resident in boroughs shall pay the sum of 150 dol.; those resident in townships shall pay the sum of 75 dol.; which sum shall be divided in

portions as follows: In cities of the first class four-fifths shall be paid for the use of the city and county, and one-fifth for the use of the Commonwealth; in cities of the second and third class, two-fifths shall be paid for the use of the city, two-fifths for the use of the proper county, and one-fifth for the use of the Commonwealth; in all other cities or boroughs three-fifths shall be paid for the use of such city or borough, one-fifth for the use of the proper county, and one-fifth for the use of the Commonwealth; in townships one-half shall be paid for the use of the township, one-fourth for the use of the proper county, and one-fourth for the use of the Commonwealth. The sums so paid for the use of the townships to be applied to keeping the roads of such townships in good repair: *Provided*, That counties, cities, boroughs, and townships, receiving parts of said licenses shall bear their proportionate share of the expenses attending the collection of the same; *and Provided, further*, That the treasurers of the several counties shall appropriate for their own use the same commissions on the amounts retained for the use of their respective counties, as they are now authorised to retain by law out of the moneys they returned to the State.

Time within which to Pay License Fee; Receipt of County Treasurer to be Filed; License Revoked upon Default.

Section IX. If any person or persons shall neglect or refuse to pay to the city or county treasurer the sum of money directed in Section VIII within 15 days after his, her, or their application for license has been granted by said court, then and in that case the said grant shall be deemed and held revoked and no license issued. It shall be the duty of the person or persons whose application has been granted by the said court to pay the said sum of money to the said treasurer within the said 15 days, and forthwith produce to and file with the clerk of court the receipt of the said treasurer thereof, and upon any default the said clerk shall forthwith mark said application and grant "revoked."

Bond; Terms and Conditions; Filing; Sureties.

Section X. That the license shall not be issued to any person or persons until he, she, or they shall have executed a bond to the Commonwealth and a warrant of attorney to confess judgment in the penal sum of 2000 dol., with two sufficient sureties, to be approved by the court granting such license, conditioned for the faithful observance of all the laws of this Commonwealth relating to the selling or furnishing of vinous, spirituous, malt, or brewed liquors, or any admixture thereof, and to pay all damages which may be recovered in any action which may be instituted against him, her, or them under the provisions of any Act of Assembly, and all costs, fines, and penalties which may be imposed upon him, her, or them under any indictment for violating this Act or any other Act of Assembly relating to selling or furnishing liquors as aforesaid, and the said bond shall be filed in the office of the clerk of the said court for the use and benefit of all persons interested therein.

Duties of Constables to make return of sales-places; Penalty for no Return or false Return; False Return defined; Duty of Court.

Section XI. The constable of the respective wards, boroughs, or townships in each county, shall in the first week in each term of the court of quarter sessions, make returns under oath of all places in his bailiwick where vinous, spirituous, malt, or brewed liquors, or any admixture thereof, are kept for sale or sold, except stores kept by druggists and apothecaries, stating which of said places are licensed under this Act, and which are unlicensed; and it shall be the especial duty of the judge of said court to see that this return is faithfully made. And on failure of any constable to comply with this provision, or if it be found, upon examination or inquiry by said courts, that any constable has either wilfully or negligently omitted to return all such houses and the names of the proprietors thereof in his bailiwick, he shall be guilty of wilfully or negligently making a false return, and the court shall suspend him from office and direct the district attorney to indict and try said officer, and, if found guilty, he shall be fined in a sum not exceeding 500 dol., and undergo an imprisonment, either simple or solitary, not exceeding two years, both or either, in the discretion of the court.

Duties of Constables to Visit and make Returns; Penalty for Failure.

Section XII. It shall be the duty of each constable in the county to visit, at least once in each month, all places within their respective jurisdictions where any of said liquors are sold or kept, to ascertain if any of the provisions of this or any Act of Assembly relating to the sale or furnishing of such liquors have been or are being violated, and whenever any of the officers above mentioned shall learn of any such violation, it shall be his duty to forthwith make written returns of the same to the court of quarter sessions with the names of the witnesses, and to do whatever shall be in his power to bring the offender to justice; and upon any neglect or refusal of any of said officers to perform the aforesaid duty, the said court shall impose the same penalties provided in Section XI of this Act.

License to be Framed and Exhibited for Inspection; Penalty for Neglect.

Section XIII. Every person receiving such license to sell spirituous, vinous, malt, or brewed liquors, or any admixture thereof, shall frame his license under a glass, and place the same, so that it shall at all times be conspicuous and easily read, in his chief place of making sale, and no such license shall authorise sales by any person who shall neglect this requirement.

Trust or Credit for Sales Prohibited; Penalty; Action and Defence.

Section XIV. No licensee, who shall sell liquors by less measure than one quart, shall trust or give credit therefor under

penalty of losing and forfeiting such debt, and no action shall be maintained, or recovery had in any case for the value of liquors sold in violation of the provisions of this section, and defence may be taken in said cases against such recovery without special plea of [or] notice.

Penalties: for selling or Offering for Sale without License; for Violating License Law by Licensee; for Second Offence, &c.; for Keeping a Disorderly Place, &c.

Section XV. Any person who shall hereafter be convicted of selling or offering for sale, any vinous, spirituous, malt, or brewed liquors, or any admixture thereof, without a license, shall be sentenced to pay a fine of not less than 500 dol., nor more than 5000 dol., and undergo imprisonment in the county jail of not less than three months, nor more than twelve months. Any person having license who shall hereafter be convicted of violating any of the provisions of the license laws, shall be subjected to a fine of not less than 100 dol. nor more than 500 dol.; and for any second offence whereof he shall be convicted, of not less than 300 dol., nor more than 1000 dol.; and for any third offence whereof he shall be convicted, a fine of not less than 500 dol., nor more than 5000 dol., and undergo imprisonment in the county jail not less than three months, nor more than twelve months, or both, or either, at the discretion of the court. Any person convicted of more than one offence shall not again be licensed in any city or county of the Commonwealth, and the license of any person permitting the customary visitation of disreputable persons, or keeping a disorderly place, may, upon proof, be at any time revoked by the court, and, when thus revoked, the same party shall not again be licensed in any city or county of the Commonwealth.

Regulations and Penalties as to Druggists, Apothecaries, and Physicians.

Section XVI. That druggists and apothecaries shall not be required to obtain license under the provisions of this Act, but they shall not sell intoxicating liquors except upon the written prescription of a regularly registered physician; alcohol, however, or any preparations containing the same, may be sold for scientific, mechanical, or medicinal purposes. Any one violating the provisions of this act shall be guilty of a misdemeanour, and upon conviction thereof shall be subject to the same penalties as are provided in Section XV of this act: provided, that no spirituous, vinous, malt, or brewed liquors shall be sold or furnished to any person more than once on any one prescription of a physician; and, provided further, that any physician, who shall wilfully prescribe any intoxicating liquors as a beverage to persons of known intemperate habits, shall be guilty of a misdemeanour, and upon conviction thereof, shall be subject to the same penalties and fines as are prescribed in Section XVII.

Sale, Gift, &c., Prohibited on Election Days and on Sundays; to Minors, Persons of Known Intemperate Habits, or Persons visibly affected by Intoxicating Drink, for themselves or others; Penalty.

Exchange of Liquors for Goods, and Sale or Furnishing on Pass-book or Store-order, Prohibited; Penalty.

Section XVII. That it shall not be lawful for any person, with or without license, to furnish, by sale, gift, or otherwise, to any person, any spirituous, vinous, malt, or brewed liquors on any day upon which elections are now, or hereafter may be required to be held, nor on Sunday, nor at any time to a minor or a person of known intemperate habits, or a person visibly affected by intoxicating drink, either for his or her use, or for the use of any other person, or to sell or furnish liquors to any person on a pass-book or order on a store, or to receive from any person any goods, wares, merchandise, or provisions in exchange for liquors, shall be held and deemed a misdemeanor, and upon conviction thereof the offender shall be fined not less than 50 dol., nor more than 500 dol., and undergo an imprisonment of not less than 20, nor more than 90 days.

Place where License Laws are Violated shall be held and declared a Nuisance and be abated; Expense and Counsel Fees.

Section XVIII. Any house, room, or place, hotel, inn, or tavern where vinous, spirituous, malt, or brewed liquors are sold, offered for sale, drank, or given away in violation of any law of this Commonwealth, shall be held and declared a nuisance, and shall be abated by proceedings at law or equity. All expenses connected with such proceedings, including a counsel fee of 20 dol. for the counsel of complainant, shall be paid by the defendant or defendants.

Repealing and Saving Clause as to Local Laws.

Section XIX. All local laws fixing a license rate or fee less than is provided for in this Act be and the same are hereby repealed; provided, however, that none of the provisions of this Act shall he held to authorise the sale of any spirituous, vinous, malt, or brewed liquors, or any admixture thereof, in any city, county, borough, or township, having special prohibitory laws.

This Act was approved May 13, A.D. 1887.

An Act Providing for the Licensing of Wholesale Dealers in Intoxicating Liquors.

Classification for Purposes of License Fee; Appropriation of Fees.

Section I. Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, that all wholesale dealers, brewers, distillers, rectifiers, com-

pounders, storekeepers, and agents having stores or offices within this Commonwealth dealing in intoxicating liquors, either spirituous, vinous, or malt, shall pay for each separate store, brewery, distillery, rectifying or compounding establishment or agency, an annual license, in cities of the first, second and third classes, the sum of 500 dol.; in all other cities, the sum of 300 dol.; in boroughs, the sum of 200 dol., and in townships, the sum of 100 dol., which sum shall be paid into the State Treasury for the use of the Commonwealth.

Authority to grant; Duration of License; Applications and Objections, when and how heard.
Time at which Licenses under prior Laws shall cease to be granted.
Limitations as to quantity in sales.

Section II. Licenses shall be granted only by the court of quarter sessions of the proper county, in such manner as is provided by existing laws, and shall be for one year from a date fixed by rule or standing order of said court; the said court shall fix by rule or standing order a time at which application for said licenses shall be heard, at which time all persons applying or making objections to applications for licenses may be heard by evidence, petition, remonstrance, or counsel; provided, that for the present year licenses may be granted under previous laws at any session fixed by said court, not later than June 30; provided further, that it shall not be lawful for any rectifier, compounder, wholesale dealer, storekeeper, agent, or bottler to sell in less quantities than one quart, and distillers, brewers, and manufacturers shall not sell in less quantities than 1 gallon.

Bottlers' Licenses Regulated.
Sales of Liquors to be Drank on the Premises, &c. Prohibited.

Section III. That all bottlers within this Commonwealth shall be required to procure license from the court of quarter sessions of the respective counties in which they are located, in the manner provided for in the second section of this Act, for which they shall pay the sum of 200 dol. in cities of the first, second, and third classes, 100 dol. in all other cities, boroughs and townships, provided that no bottler shall be permitted to sell spirituous, vinous, malt, or brewed liquors to be drank upon the premises where sold, nor at any place provided by such seller for that purpose.

This Act was approved May 24, 1887.

Rules regulating applications for Liquor Licenses adopted by the Court of Quarter Session of Philadelaphia County, June 22, 1887.

Rule 1. All licenses granted shall be for one year from the first day of June, and shall expire on the first day of June of the following year, without regard to the date at which the same was issued.

Rule 2. Applications for licenses shall be heard on the first

Monday of March in every year, and the hearing of such applications shall be continued for such length of time as may be necessary to dispose of them. The clerk of the court shall set down such applications upon a list in the order in which they come into his hands, and said list shall be called in the order in which the applications are there set down. Applicants for and remonstrances against the granting of the license may be heard, if they desire it, by one counsel on each side, but no counsel shall be heard for more than ten minutes.

Rule 3. Three judges shall be assigned to hear and determine applications for license.

Rule 4. All applications for license shall be filed with the clerk of the court three weeks before the first Monday of March, the petitioner paying the clerk the fee required by the fourth section of the Act at the time of filing the petition.

Rule 5. The clerk of the court shall cause to be published three times in two newspapers, to be designated by the court, a list containing the names of the petitioners, their respective residences, and the place for which application is made. This publication shall be made on the Wednesday, Thursday, and Friday of the third week before the time fixed for the hearing.

Rule 6. All applications for licenses shall be by petition, in writing, which petition shall be verified by affidavit, shall contain full statements of the several matters required by the fifth section of the Act May 13, 1887, and shall be accompanied by the certificate required by the sixth section of that Act. All remonstrances or petitions against the granting of license shall be in writing, and shall be filed with the clerk at least three days before the time fixed for the hearing, but no charge shall be made for such filing.

Rule 7. When an application shall be granted by the court, the clerk of the court shall give to the applicant a certificate to that effect, directed to the city treasurer, and the applicant shall, within 15 days thereafter, pay to the city treasurer the sum of 500 dol. required by the Act to be paid, and upon the production and filing with the clerk of the city treasurer's receipt, and after the applicant has given the bond required by the tenth section of the Act of May 13, 1887, the clerk shall issue a license in the following form, duly attested by the clerk, and under the seal of the court, viz.:

Court of Quarter Sessions of Philadelphia.

This is to certify that_____has been duly licensed by the Court of Quarter Sessions of Philadelphia County to sell vinous, spirituous, malt, or brewed liquors at retail for the space of one year, from June 1, A.D._____, at_____

In witness whereof, I have hereunto set my hand and the seal of the said court, this_____day of_____, A.D, _____.

SEAL. _____, Clerk.

In default of the production and filing with the clerk of the city treasurer's receipt as aforesaid within 15 days after the application has been granted, the clerk shall forthwith mark said application and grant "revoked."

NOTE.—In Chester and other counties a rule of court provides for the taking and filing of depositions, no other testimony being heard at bar.

CALIFORNIA.

The Supreme Court in this State has declared prohibition unconstitutional, with the result that it no longer exists there. The counties regulate the amount paid for license. Her Majesty's Consul at S. Francisco reports that since 1887 there has been no change within his consular jurisdiction in the legislation on this subject.

In S. Francisco for the fiscal year 1888 the sum of 220,020 dol. (44,004*l.*) was paid for licenses; in 1887, 221,220 dol. (44,244*l.*)

LOUISIANA.

Her Majesty's Consul at New Orleans is unable to report a very rapid decrease of intemperance, and whatever progress may be discernible he holds cannot be traced to the working of the liquor laws, which are generally disregarded, the Sunday law having become a "dead letter" on account of the impossibility of obtaining a conviction in cases where it has been infringed.

He reports that in the State of Arkansas the number of districts placed under prohibition is increasing, while in Mississippi prohibition would appear to be losing ground. Private clubs have been formed in considerable numbers in these States with no other object than the sale of liquor, but as the members of these clubs are in many respects under mutual restraint, this movement should be regarded favourably.

The British Vice-Consul at Pensacola, in the State of Florida, reports that since June, 1887, by an amendment of the laws governing the sale of liquor in the State, the fees for license have been increased. The State license tax on liquor dealing places in the State has been increased from 300 dol. (60*l.*) to 400 dol. (80*l.*) per annum, and the county and city licenses have altered to sums not exceeding 200 dol. (40*l.*) per annum respectively. This alteration took place in 1887. Thus, since then the total amount fixed by law for each liquor dealing place in the State of Florida has been allowed at a maximum of 800 dol. per annum from the regular license time of each year, and all licenses taken out other than at the regular license time, are at a pro-rata amount. The county license tax levied on liquor-places—in Pensacola—by the commissioner of this county, being only 140 dol., the total tax in this county, at present, amounts to 740 dol. per year.

As before stated in addition to the regular city tax, the cities and towns of the State have authority by law to also levy upon

liquor dealers restraining licenses. The city of Pensacola levies a restraining tax of 25 dol. per annum, in addition to the regular city license of 200 dol. on all ordinary liquor-dealing places.

The city government of Pensacola also imposes a special restraining license tax of 2,000 dol. (400*l.*) per annum on every liquor dealing place in which women serve as assistants or bar-tenders. There are two liquor-places in Pensacola in which women are thus employed.

Application for license to the County Commissioners must be signed by a majority of the voters in that electoral district. It happened a short time ago in Pensacola that an application for a renewal of license by a flourishing saloon was not granted, as the requisite number of signatures was not secured.

Article 19, Section 1, of the Constitution of the State of Florida, adopted since the passing of the High License Liquor Law, provides that:—

"The Board of County Commissioners of each county in the State, not oftener than one in every two years, upon the application of one-fourth of the registered voters of any county, shall call and provide for an election in the county in which application is made, to decide whether the sale of intoxicating liquors, wines, or beer shall be prohibited therein; the question to be determined by a majority vote of those voting at the election called under this section; which election shall be conducted in the manner prescribed by law for holding general elections; provided that intoxicating liquors, either spirituous, vinous, or malt, shall not be sold in any election district in which a majority vote was cast against the same at the said election. Elections under this section shall be held within 60 days from the time of presenting said application, but if any such election should thereby take place within 60 days of any State or National election it shall be held within 60 days after any such State or National election." And Article 19, Section II, provides that "The Legislature shall provide necessary laws to carry out and enforce the provisions of Section I of this Article."

As in all other States local option has resulted in prohibition in some parts of the State, but there are no figures to show whether the results have been successful, or even whether the law has been enforced.

In 1887 there existed in Pensacola, 36 places for the sale of liquor. In 1889 there are 30 such places. On the whole the system of high license seems to have had favourable results in in Pensacola and the State generally.

Alabama.

In the 66 counties in this State, prohibition laws have been enacted in two whole counties, and in parts of 36. In 10 counties prohibition extends to all portions of the county except incorporate towns and cities having police regulations. The British Vice-Consul at Mobile reports that a vast decrease of crime, especially

as relates to the coloured population, is noticeable in the State, which he attibutes to the successful restrictions which have been imposed upon the sale of liquors.

General Remarks.

There is nothing to alter in and little to add to the general remarks which accompanied the last report on this subject. The arguments remain the same, and sufficient data have not been obtainable to hold out in favour of one side or the other. The contest between the "High License System" and the "Prohibitory System" has been carried on since 1887 with as great, if not greater, vigour as before that date. As will be seen from the above report the popular vote has been taken, since 1887, in five States on the question of adopting an amendment to the State Constitution by which, if carried, prohibition would have been established in the State. In each case the voters have declared themselves, by a large majority, against prohibition.

In the State of Rhode Island, where prohibition has existed since 1886, an election has been held during the current year by which that system was voted against by considerably more than the required majority of three-fifths of the whole vote.

An amendment to a State Constitution can only be made by a majority of three-fifths of the popular vote. In Rhode Island in 1886 prohibition was carried by the necessary majority. In 1889 prohibition, which had thus become a law of the State Constitution, was defeated by the necessary majority.

This change of opinion on the part of such a large number of the populaton of one State, amounting to, as it must have done, at least one-fifth of the whole, having taken place, as it did, after less than three years' experience of the working of the prohibitory law, is a strong argument against the system. The theory of prohibition may be worthy of consideration and praise, but the absolute impracticability of the working of such a system in most places where it has been tried has led a large number of those who earnestly desire to promote temperance to consider whether the object they have in view will not be better advanced by a change to a system of legislation which, although not so perfect in theory, can be practically worked. It is the business or advantage of none but authorised officials to help to carry out prohibition, whereas such officials are sure to be materially aided in enforcing the law under "High License" by those who have conformed to its provisions. Whatever statistics have been obtained, few and incomplete as they may be, tend to show that under high license the number of drinking saloons decreases, as well as the number of cases of intoxication brought before the local magistrate. The latter result is undoubtedly a consequence of the former.

Legislation can certainly help certain classes of the population to be abstemious and temperate, but with the others no amount of legislation on such a subject can have any influence. As the higher orders change so will the lower.

The steps in the right direction which are being made, and there is no contesting the fact that they are being made, although perhaps not with that rapidity which might be desired or expected by some people, must be attributed solely to the general progress of the country. This progress will continue at an increasing rate, and with it, I feel confident, that the cause of temperance, independent of legislation, will advance.

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UNITED STATES.

REPORT ON THE

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Presented to both Houses of Parliament by Command of Her Majesty, JULY, 1890.

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No. 174.

UNITED STATES.

WASHINGTON.

Sir J. Pauncefote to the Marquis of Salisbury.

My Lord, *Washington, March* 29, 1890.*

I HAVE the honour to transmit herewith a Report on the general question of "Trusts" in the United States which has been drawn up by Mr. Edwardes, Her Majesty's Secretary of Legation, in accordance with the instructions contained in your Lordship's despatch, of October 16, 1889.

In the preparation of this interesting and important document Mr. Edwardes has brought to bear an amount of ability and industry which I feel sure will be duly appreciated by your Lordship, and I venture to add that it is a fitting sequel to his recent reports on the Liquor Traffic Legislation in the United States, which have been so widely read in the United Kingdom and in this country, and which have elicited much commendation from the organs of public opinion in England and in the United States.

I have, &c.
(Signed) J. PAUNCEFOTE.

Mr. Edwardes to Sir J. Pauncefote.

Sir, *Washington, March* 29, 1890.*

I HAVE the honour to forward to you herewith a Report which I have drawn up, to the best of my ability, on the general question of Trusts in the United States, in accordance with the instructions contained in the Marquis of Salisbury's despatch, of October 16 last.

I trust I may be excused for the repetitions which occur from time to time in this report, which I have found unavoidable, and in some cases necessary, in order to place the question as clearly as possible.

I wish to add that I have endeavoured to report on the whole subject from an entirely impartial point of view, as it does not appear to me to be one on which it would be proper to express any decided opinion, even if I felt myself qualified to do so.

* See, however, p. 81 for subsequent additions.—ED.

I have appended to the report two interesting despatches on this subject which have been received from Her Majesty's Consul-General at New York and Her Majesty's Consul at Philadelphia.

I have, &c.

(Signed) H. G. EDWARDES.

Report on Trusts by Mr. Edwardes.

DESCRIPTION AND ACCOUNT OF TRUSTS.

The increase of the number of "trusts" formed in the United States having caused much anxiety on the grounds that such combinations were injurious, inasmuch as it was held that they annihilated competition and placed the public at each end of the industry represented in the combination at the mercy of the trust, investigations into the management, purpose, and effect of such organisations were ordered by Congress, and by the Assembly of the State of New York.

According to the evidence taken at these investigations it would appear that the plan on which a trust is generally organised may be described as follows:—A certain number of corporations, organised under the laws of the different States, and subject to their control, issue their stock to various individuals. These individual stockholders surrender their stock to the trustees named in the agreement creating a trust, and accept in lieu thereof certificates issued by the trustees named therein. Such agreements generally provide that the various corporations, whose stock is surrendered to the trustees, shall preserve their identity and carry on their business. The duties of the trustees are restricted to the receipt of the dividends declared by the various corporations, and the distribution of the aggregate of them to the holders of the trust certificates pro rata, and to holding and voting upon the stock of the corporations.

A trust is not a corporation, and consequently has no charter.

One writer on this question groups trusts in two general classes:—

The first class embraces all trusts, which, having and maintaining secret arrangements with those corporations which transport the product from producer to consumer, are by this means enabled to exert an arbitrary control over the industries over which they deal.

The second class embraces those trusts which do not depend upon secret relations with the transporter, but which aim, through combination, to secure the unified possession and control of the whole of any particular industry, and then, by the exercise of the power secured through this combination, to repress production and competition, and thus enlarge the margin of profit.

The first trust of importance which was formed was the

Standard Oil Trust, which was created in 1882, under a written instrument signed by the shareholders. About 50 persons joined in the trust who belonged to different Standard Oil companies, and who were engaged in the production, refining, or carriage of the commodity known as coal or kerosene oil. Its principal office is in the city of New York.

At the investigation this agreement was described in evidence as follows:—"It is an agreement between certain individuals holding stock in certain corporations, holding shares in certain joint-stock companies, holding interests in certain partnerships, or engaged in the manufacture and refining of oil, by which they provide that they will deposit their stock with nine trustees in such quantity as to give those trustees the entire and absolute control of the refineries, corporations, joint-stock companies, and partnerships in which this stock or interest is held, and providing also that from time to time these nine trustees may take in other enterprises of the same character, and issue to them, as they did to the original signers of this agreement, certain certificates of stock corresponding to the interest which they assign."

A copy of this agreement is here given in full:—

"This agreement, made and entered upon this second day of January, A.D. 1882, by and between all the persons who shall now or may hereafter execute the same as parties thereto.

"Witnesseth:—I. It is intended that the parties to this agreement shall embrace three classes, to wit:

"1st. All the stockholders and members of the following corporations and limited partnerships, to wit:

(Follow the names.)

"Also, all the stockholders and members of such other corporations and limited partnerships as may hereafter join in this agreement, at the request of the trustees herein provided for.

"2nd. The following individuals, to wit:

(Follow the names.)

"Also, also such individuals as may hereafter join in the agreement at the request of the trustees herein provided for.

"3rd. A portion of the stockholders and members of the following corporations and limited partnerships, to wit:

(Follow the names.)

"Also, stockholders and members (not being all thereof) of other corporations and limited partnerships, who may hereafter join in this agreement at the request of the trustees herein provided for.

"II. The parties hereto do covenant and agree to and with each other, each in consideration of the mutual covenants and agreements of the others, as follows:

"1st. As soon as practicable, a corporation shall be formed in each of the following States, under the laws thereof, to wit: Ohio, New York, Pennsylvania, New Jersey; provided, however, that instead of organising a new corporation, any existing charter and organisation may be used for the purpose when it can advantageously be done.

"2nd. The purposes and powers of said corporations shall be to mine for, produce, manufacture, refine, and deal in petroleum and all its products, and all the materials used in such businesses, and transact other business collateral thereto. But other purposes and powers shall be embraced in the several charters, such as shall seem expedient to the parties procuring the charter, or, if necessary to comply with the law, the powers aforesaid may be restricted and reduced.

"3rd. At any time hereafter, when it may seem advisable to the trustees herein provided for, similar corporations may be formed in other States and territories.

"4th. Each of said corporations shall be known as the Standard Oil Company of (and here shall follow the name of the State or territory by virtue of the laws of which said corporation is organised).

"5th. The capital stock of said corporation shall be fixed at such an amount as may seem necessary and advisable to the parties organising the same, in view of the purpose to be accomplished.

"6th. The shares of stock of each of said corporations shall be issued only for money, property, or assets equal at a fair valuation to the par value of the stock delivered therefor.

"7th. All of the property, real and personal, assets, and business of each and all of the corporations and limited partnerships mentioned or embraced in class first shall be transferred to and vested in the said several Standard Oil companies. All of the property, assets, and business in or of each particular State shall be transferred to and vested in the Standard Oil Company of that particular State, and in order to accomplish such purpose the directors and managers of each and all of the several corporations and limited partnerships mentioned in class first are hereby authorised and directed by the stockholders and members thereof (all of them being parties to this agreement) to sell, assign, transfer, convey, and make over, for the consideration hereinafter mentioned, to the Standard Oil Company or companies of the proper State or States, as soon as said corporations are organised and ready to receive the same, all the property, real and personal, assets, and business of said corporations and limited partnerships. Correct schedules of such property, assets, and business shall accompany each transfer.

"8th. The individuals embraced in class second of this agreement do, each for himself, agree for the consideration hereinafter mentioned to sell, assign, transfer, convey, and set over all the property, real and personal, assets, and business mentioned and embraced in schedules accompanying such sale and transfer to the Standard Oil Company or companies of the proper State or States, as soon as the said corporations are organised and ready to receive the same.

"9th. The parties embraced in class third of this agreement do covenant and agree to assign and transfer all of the stock held by them in the corporations, or limited partnerships herein-named, to the trustees herein provided for, for the consideration and upon

the terms hereinafter set forth. It is understood and agreed that the said trustees and their successors may hereafter take the assignment of stocks in the same or similar companies upon the terms herein provided, and that whenever and as often as all the stocks of any corporations or limited partnerships are vested in said trustees, the proper steps may then be taken to have all the moneys, property, real and personal, of such corporation or partnership assigned and conveyed to the Standard Oil Company of the proper State, on the terms and in the mode herein set forth, in which event the trustees shall receive stocks of the Standard Oil companies equal to the value of the money, property, and business assigned, to be held in place of the stocks of the company or companies assigning such property.

"10th. The consideration for the transfer and conveyance of the money, property, and business aforesaid to each or any of the Standard Oil companies shall be stock of the respective Standard Oil Company to which said transfer or conveyance is made, equal at par value to the appraised value of the money, property, and business so transferred. Said stock shall be delivered to the trustees hereinafter provided for, and their successors, and no stock of any of said companies shall ever be issued except for money, property, or business, equal, at least, to the par value of the stock so issued, nor shall any stock be issued by any of said companies for any purpose, except to the trustees herein provided for, to be held subject to the trusts hereinafter specified. It is understood, however, that this provision is not intended to restrict the purchase, sale, and exchange of property by said Standard Oil companies as fully as they may be authorised to do by their respective charters; provided only that no stock be issued therefor except to said trustees.

"11th. The consideration for any stocks delivered to said trustees, as above provided for, as well as for stocks delivered to said trustees by persons mentioned or included in class third of this agreement, shall be the delivery by said trustees to the persons entitled thereto of trust certificates hereinafter provided for, equal at par value to the par value of the stocks of the said several Standard Oil companies so received by said trustees, and equal to the appraised value of the stocks of other companies or partnerships delivered to said trustees.

"The said appraised value shall be determined in a manner agreed upon by the parties in interest and said trustees.

"It is understood and agreed, however, that the said trustees may, with any trust funds in their hands, in addition to the mode above provided, purchase the bonds and stocks of other companies engaged in business similar or collateral to the business of said Standard Oil companies on such terms and in such mode as they may deem advisable, and shall hold the same for the benefit of the owners of said trust certificates, and may sell, assign, transfer, and pledge such bonds and stocks whenever they may deem it advantageous to said trust so to do.

"III. The trusts upon which said stocks shall be held, and the

number, powers, and duties of said trustees shall be as follows:—

"1st. The number of trustees shall be nine.

"2nd.

are hereby appointed trustees, to hold their office until the

"3rd. are hereby appointed trustees, to hold their office until

"4th are hereby appointed trustees, to hold their office until

"5th. Elections for trustees to succeed those herein appointed shall be held annually, at which election a sufficient number of trustees shall be elected to fill all vacancies occurring either from expiration of the term of the office of trustee, or from any other cause. All trustees shall be elected to hold their office for three years, except those elected to fill a vacancy arising from any cause except expiration of term, who shall be elected for the balance of the term of the trustee whose place they are elected to fill. Every trustee shall hold his office until his successor is elected.

"6th. Trustees shall be elected by ballot by the owners of trust certificates or their proxies. At all meetings the owners of trust certificates, who may be registered as such on the books of the trustees, may vote in person or by proxy, and shall have one vote for each and every share of trust certificates standing in their names, but no such owner shall be entitled to vote upon any share which has not stood in his name 30 days prior to the day appointed for the election. The transfer books may be closed for 30 days immediately preceding the annual election. A majority of the shares represented at such election shall elect.

"7th. The annual meeting of the owners of said trust certificates for the election of trustees, and for other business, shall be held at the office of the trustees, in the city of New York, on the first Wednesday of April of each year, unless the place of meeting be changed by the trustees, and said meeting may be adjourned from day to day until its business is completed. Special meetings of the owners of said trust certificates may be called by a majority of the trustees, at such times and places as they may appoint. It shall also be the duty of the trustees to call a special meeting of holders of trust certificates whenever requested to do so by a petition signed by the holders of 10 per cent. in value of such certificates. The business of such special meetings shall be confined to the object specified in the notice given therefor. Notice of the time and place of all meetings of the owners of trust certificates shall be given by personal notice so far as possible, and by public notice in one of the principal newspapers of each State in which a Standard Oil Company exists, at least 10 days before such meeting. At any meeting, a majority in value of the holders of trust certificates represented consenting thereto, bye-laws may be made, amended, and repealed relative to the mode of the election of trustees, and other business of the holders of trust certificates; provided, however, that said bye-laws shall

be in conformity with this agreement. Bye-laws may also be made, amended, and repealed at any meeting, by and with the consent of a majority in value of the holders of trust certificates, which alter this agreement relative to the number, powers, and duties of the trustees, and to other matters tending to the more efficient accomplishment of the objects for which the trust is created; provided, only, that the essential intents and purposes of this agreement be not thereby changed.

"8th. Whenever a vacancy occurs in the board of trustees more than 60 days prior to the annual meeting for the election of trustees, it shall be the duty of the remaining trustees to call a meeting of the owners of Standard Oil Trust certificates for the purpose of electing a trustee or trustees to fill the vacancy or vacancies. If any vacancy occurs in the board of trustees, from any cause, within 60 days of the date of the annual meeting for the election of trustees, the vacancy may be filled by a majority of the remaining trustees, or, at their option, may remain vacant until the annual election.

"9th. If for any reason at any time a trustee or trustees shall be appointed by any court to fill any vacancy or vacancies in said board of trustees, the trustee or trustees so appointed shall hold his or their respective office or offices only until a successor or successors shall be elected in the manner above provided for.

"10th. Whenever any change shall occur in the board of trustees, the legal title to the stock and other property held in trust shall pass to and vest in the successors of said trustees without any formal transfer thereof. But if at any such time formal transfer shall be deemed necessary or advisable, it shall be the duty of the board of trustees to obtain the same, and it shall be the duty of any retiring trustee, or the administrator or executor of any deceased trustee, to make said transfer.

"11th. The trustees shall prepare certificates which shall show the interest of each beneficiary in said trust, and deliver them to the persons properly entitled thereto. They shall be divided into shares of the par value of 100 dol. each, and shall be known as the Standard Oil Trust certificates, and shall be issued subject to all the terms and conditions of this agreement. The trustees shall have power to agree upon and direct the form and contents of said certificates, and the mode in which they shall be signed, attested, and transferred. The certificates shall contain an express stipulation that the holders thereof shall be bound by the terms of this agreement, and by the bye-laws herein provided for.

"12th. No certificates shall be issued except for stocks and bonds held in trust as herein provided for, and the par value of certificates issued by said trustees shall be equal to the par value of the stocks of said Standard Oil Company and the appraised value of other bonds and stocks held in trust. The various bonds, stocks, and moneys held under said trust shall be held for all parties in interest jointly, and the trust certificates so issued shall be the evidence of the interest held by the several parties in this trust. No duplicate certificates shall be issued by the trustees,

except upon surrender of the original certificate or certificates for cancellation, or upon satisfactory proof of the loss thereof, and in the latter case they shall require a sufficient bond of indemnity.

"13th. The stocks of the various Standard Oil companies, held in trust by said trustees, shall not be sold, assigned, or transferred by said trustees, or by the beneficiaries, or by both combined, so long as this trust endures. The stocks and bonds of other corporations held by said trustees may be by them exchanged or sold, and the proceeds thereof distributed pro rata to the holders of trust certificates, or said proceeds may be held and re-invested by said trustees for the purposes and uses of the trust: Provided, however, that said trustees may, from time to time, assign such shares of stock of said Standard Oil Company as may be necessary to qualify any person or persons chosen or to be chosen as directors and officers of any of said Standard Oil companies.

"14th. It shall be the duty of said trustees to receive and safely to keep all interest and dividends declared and paid upon any of the said bonds, stocks, and moneys held by them in trust, and to distribute all moneys received from such sources or from sales of trust property or otherwise by declaring and paying dividends upon the Standard Trust certificates as funds accumulate, which in their judgment are not needed for the use and expenses of said trust. The trustees shall, however, keep separate accounts of receipts from interest and dividends, and of receipts from sales or transfers of trust property, and in making any distribution of trust funds, in which moneys derived from sales or transfers shall be included, shall render the holders of trust certificates a statement showing what amount of the fund distributed has been derived from such sales or transfers. The said trustees may be also authorised and empowered by a vote of a majority in value of holders of trust certificates, whenever stocks or bonds have accumulated in their hands from money purchases thereof, or the stocks or bonds held by them have increased in value, or stock dividends shall have been declared by any of the companies whose stocks are held by said trustees, or whenever, from any such cause, it is deemed advisable so to do, to increase the amount of trust certificates to the extent of such increase or accumulation of values, and to divide the same among the persons then owning trust certificates pro rata.

"15th. It shall be the duty of said trustees to exercise general supervision over the affairs of said several Standard Oil companies, and, as far as practicable, over the other companies or partnerships, any portion of whose stock is held in said trust. It shall be their duty, as stockholders of said companies, to elect as directors and officers thereof faithful and competent men. They may elect themselves to such positions when they see fit so to do, and shall endeavour to have the affairs of all of said companies managed and directed in the manner they may deem most conducive to the best interests of the holders of said trust certificates.

"16th. All the powers of the trustees may be exercised by a majority of their number. They may appoint from their own

number an executive and other committees. A majority of each committee shall exercise all the powers which the trustees may confer upon such committee.

"17th. The trustees may employ and pay all such agents and attorneys as they deem necessary in the management of said trust.

"18th. Each trustee shall be entitled to a salary for his services not exceeding 25,000 dol. per annum, except the president of the board, who may be voted a salary not exceeding 30,000 dol. per annum, which salaries shall be fixed by said board of trustees. All salaries and expenses connected with or growing out of the trust shall be paid by the trustees from the trust fund.

"19th. The board of trustees shall have its principal office in the city of New York, unless changed by a vote of the trustees, at which office, or in some place of safe deposit in said city, the bonds and stocks shall be kept. The trustees shall have power to adopt rules and regulations pertaining to the meetings of the board, the election of officers, and the management of the trust.

"20th. The trustees shall render at each annual meeting a statement of the affairs of the trust. If a termination of the trust be agreed upon, as hereinafter provided, or within a reasonable time prior to its termination by lapse of time, the trustees shall furnish to the holders of trust certificates a true and perfect inventory and appraisement of all stocks and other property held in trust, and a statement of the financial affairs of the various companies whose stocks are held in trust.

"21st. This trust shall continue during the lives of the survivors and survivor of the trustees in this agreement named, and for 21 years thereafter: Provided, however, that if, at any time after the expiration of 10 years, two-thirds of all the holders in value, or if, after the expiration of one year, 90 per cent. of all the holders in value of trust certificates, shall, at a meeting of holders of trust certificates called for that purpose, vote to terminate this trust at some time to be by them then and there fixed, the said trust shall terminate at the date so fixed. If the holders of trust certificates shall vote to terminate the trust as aforesaid, they may, at the same meeting, or at a subsequent meeting called for that purpose, decide by a vote of two-thirds in value of their number, the mode in which the affairs of the trust shall be wound up, and whether the trust property shall be distributed, or whether it shall be sold, and the values thereof distributed; or whether part, and if so, what part shall be divided and what part shall be sold, and whether such sales shall be public or private.

"The trustees who shall continue to hold their offices for that purpose shall make the distribution in the mode directed; or, if no mode be agreed upon by two-thirds in value, as aforesaid, the trustees shall make distribution of the trust property according to law. But said distribution, however made, and whether it be of property or values, or of both, shall be just and equitable, and such as to ensure to each owner of a trust certificate his due proportion of the trust property, or the value thereof.

"22nd. If the trust shall be terminated by expiration of the

time for which it is created, the distribution of the trust property shall be directed and made in the mode above provided.

"23rd. This agreement, together with the registry of certificates, books of accounts, and other books and papers connected with the business of said trust, shall be safely kept at the principal office of said trustees.

(Follow the names.)

"Whereas in and by an agreement dated January 2, 1882, and knownas the Standard Trust agreement, the parties thereto did mutually covenant and agree inter alia as follows, to wit: That corporations to be known as Standard Oil companies of various States should be formed, and that all of the property, real and personal, assets, and business of each and all of the corporations and limited partnerships mentioned or embraced in Class I of said agreement should be transferred to and vested in the said several Standard Oil companies; that all of the property, assets, and business in or of each particular State should be transferred to and vested in the Standard Oil Company of that particular State, and the directors and managers of each and all of the several corporations and associations mentioned in Class I were authorised and directed to sell, assign, transfer, convey, and make over to the Standard Oil Company or companies of the proper State or States, as soon as said corporations were organised and ready to receive the same, all the property, real and personal, assets, and business of said corporations or associations; and

"Whereas it is not deemed expedient that all of the companies and associations mentioned should transfer their property to the said Standard Oil companies at the present time, and in case of some companies and associations it may never be deemed expedient that the said transfers should be made and said companies and associations go out of existence; and

"Whereas it is deemed advisable that a discretionary power should be vested in the trustees as to when such transfer or transfers should take place, if at all. Now, it is hereby mutually agreed between the parties to the said trust agreement, and as supplementary thereto, that the trustees named in the said agreement and their successors shall have the power and authority to decide what companies shall convey their said property as in said agreement contemplated, and when the said sales and transfers shall take place, if at all; and until said trustees shall so decide, each of said companies shall remain in existence and retain its property and business, and the trustees shall hold the stocks thereof in trust as in said agreement provided. In the exercise of said discretion, the trustees shall act by a majority of their number as provided in said trust agreement. All portions of said trust agreement relating to this subject shall be considered so changed as to be in harmony with this supplemental agreement.

"In witness whereof the said parties have subscribed this agreement, this 4th day of January, 1882."

(Follow the names.)

It will be seen that by this agreement those holding con-

trolling interests in certain corporations, joint-stock associations, and partnerships, placed their stock in the hands of trustees, who then became what has since been known as the "Standard Oil Trust," having complete supremacy over all the industries whose stock it held.

The bye-laws of the trustees of the trust were as follows:–

"BYE-LAWS of the Trustees of the Standard Oil Trust.

"Article I.

"*Election of Trustees.*

"Trustees shall be elected by ballot by the owners of the trust certificates of the proxies.

"Election of trustees to succeed those already appointed shall be held annually, at which election a sufficient number of trustees shall be elected to fill all vacancies occurring either from expiration of the term of the office of any trustee, or from any other course.

"All trustees shall be elected to hold their office for three years, except those elected to fill the vacancy arising from any cause except expiration of term, who shall be elected for the balance of the term of the trustee whose place they are elected to fill. Every trustee shall hold his office until his successor is elected.

"The annual meeting of the holders of trust certificates and the election of trustees shall he held at the office of the trustees, in the city of New York, on the first Wednesday in April of each year, unless otherwise ordered by the trustees, and said meeting may be adjourned from day to day until its business is completed.

"Special meeting of the holders of trust certificates may be called by a majority of all the trustees at such time and place as they may appoint.

"Special meeting shall also be called by a majority of the trustees whenever requested so to do by a request signed by the holders of 10 per cent. in value of trust certificates.

"The business of such special meetings shall be confined to the objects specified in the notice given therefor.

"Notice of the time and place of all meetings of owners of trust certificates shall be given by personal notice as far as possible, and shall also be advertised in one of the principal newspapers published in each State in which a Standard Oil Company exists at least 10 days previous to the time of meeting.

"At all meetings, the owners of trust certificates who may be registered as such on the books of the trustees may vote in person or by proxy, and shall have one vote for each and every share of trust certificates standing in their names, but no such owner shall be entitled to vote upon any share which has not stood in his name 30 days prior to the day appointed for the election.

"The transfer books may be closed for 30 days immediately preceding the annual election.

"A majority of the shares represented at such election shall elect.

"At all elections of trustees the board of trustees shall be the judge of the qualifications of voters; shall prescribe rules and regulations for voting; appoint tellers to direct and count the votes, and cause the result of the election to be entered in full on their minutes.

"The trustees may commit their powers in this matter to a committee of their own members.

"The election shall be held on the day designated for that purpose, unless prevented by accident, in which case the trustees shall designate another day for the election.

"Article II.

"*Board of Trustees.*

"The board of trustees, at their first meeting after their annual election, shall elect by ballot from their own number a president, vice-president, treasurer, and secretary, and such officers shall hold their office during the pleasure of the board. Whenever a vacancy occurs in the board of trustees, more than 60 days prior to the annual meeting for the election of trustees, it shall be the duty of the remaining trustees to call a meeting of the holders of trust certificates, for the purpose of electing a trustee or trustees to fill the vacancy or vacancies.

"If any vacancy occurs in the board of trustees from any cause, within 60 days of the date of the annual meeting for the election of trustees, the vacancy may be filled by a majority of the remaining trustees, or, at their option, may remain vacant until the annual election.

"The board may also appoint an assistant treasurer, assistant secretary, auditor, and such additional officers, agents, executive and other committees, as it may deem advisable, and remove the same at its pleasure.

"In the absence of the president and vice-president, the board may appoint a chairman *pro tempore*. During a prolonged absence or inability of the president or any other officer, the board may appoint substitutes *pro tempore;* and, on the death or resignation of the president or other officers, it shall fill the vacancy.

"A majority of the trustees shall be required to constitute a quorum for the transaction of business; but less than a quorum may adjourn from time to time and from place to place.

"Regular meetings of the board of trustees shall be held on the first Wednesday of January, April, July, and October of each year, unless the same shall be a legal holiday, in which event the meeting shall be held on the day following.

"Article III.

"*The President.*

"The president shall preside at all meetings of the owners of trust certificates or trustees, if present; appoint or remove all officers and agents other than those elected by the owners of trust certificates or the board of trustees; call meetings of the board of trustees when required by a majority of the trustees, in writing; sign all certificates of shares, and have a general care, supervision, and direction of the affairs of the trust. He shall have power to call meetings of the board from time to time, when he shall think proper; to sign certificates of shares in blank, and leave them with the treasurer in sufficient numbers to provide for the prompt transfer of shares.

"In the event of the death, absence, or inability of the president to perform the duties imposed on him by these bye-laws, and the orders of the board of trustees, the vice-president may exercise his powers and perform his duties, subject to the control of the board of trustees or executive committee.

"Article IV.

"*The Secretary.*

"It shall be the duty of the secretary to notify the members thereof of all meetings of the board of trustees, when required by the president, or by a majority of the trustees, in writing, to attend such meetings when practicable; keep true records of the proceedings; attest such records after every meeting by his signature; safely keep all documents and papers which shall come into his possession, and truly keep the books and accounts of the trust appertaining to his office, so as at all times to show the real condition of the trust affairs; and shall present statements thereof when required by the Board. He shall keep books in which transfers of shares may be made by any owner of trust certificates, or his attorney, duly constituted in writing; also a share ledger and certificate book; prepare new certificates upon the transfer of shares, and surrender of the old certificates, and keep a register of all the certificates issued.

"On the day of the annual election, the secretary shall furnish, for the use of the inspectors, an alphabetical list of the names of all the owners of trust certificates who shall have been registered as such for 30 days prior to said election. The assistant secretary shall perform such of the duties of secretary as may be required of him by the board of trustees.

"Article V.

"*The Treasurer.*

"It shall be the duty of the treasurer to keep and account for all moneys, funds, and property of the trust which shall come int

his hands, and he shall render such accounts, and present such statements to the trustees and executive committee as may be required of him.

"Disbursements shall only be made by him under resolutions of the board of trustees, or by the executive committee, or upon vouchers approved by the proper officers.

"He shall sign certificates of shares when presented to him, after they shall have been signed by the president.

"The assistant treasurer shall perform such of the duties of treasurer as may be required of him by the board of trustees.

"Article VI.

"*Executive Committee.*

"The executive committee shall possess and exercise, by a majority of all its members, all the powers and duties of the board of trustees, but only when the board shall not be in session. They shall keep a record of all their proceedings, which shall be certified by the secretary, under his hand, which record shall be read at the next ensuing meeting of the board of trustees. The secretary shall call meetings of this committee on the requisition of the president of the board, or of any one of its members.

"Article VII.

"The fiscal year of this trust shall be the calendar year.

"Article VIII.

"These bye-laws may be altered, amended, or repealed at any meeting of the owners of trust certificates by a vote of majority in value of all the owners represented; provided, however, that all bye-laws relative to formal meetings and formal duties of the trustees and officers may be altered by the board of trustees."

There were nine trustees to whom the stock in the several refineries was surrendered, and by whom certificates were issued in the place of it to represent it.

The original capital of 70,000,000 was increased in 1888 up to 90,000,000 by taking in other refineries, and the issue of certificates to represent that stock. The capital at the present day is computed at something over 100,000,000.

The rate at which certificates were issued in the place of the stock of the refining companies was fixed by agreement on value between the stockholders of the refineries of the company and the trustees in each individual case.

The form of the trust certificate was as follows:—

"Standard Oil Trust.

"This is to certify that is entitled to shares in the equity of the property held by the trustees of

the Standard Oil Trust transferable on the books of said trustees on surrender of this certificate.

"This certificate is issued upon condition that the holder or any transferee thereof shall be subject to all the provisions of the agreement creating said trust, and of the bye-laws adopted in pursuance of said agreement, as fully as if he had signed the trust agreement.

"Witness the hands of the president, secretary, and treasurer of the board of trustees this day of at the city of New York.

President.
Treasurer."

During the investigations into the operations of the trust, it was stated that the amount of crude oil refined by the trust was about 75 per cent. of the whole amount refined in the country. It was shown that the cost of a gallon of standard white refined oil for exportation was, in 1861, $61\frac{54}{100}$ c., and fell in successive years, under the management of the trust, to $\cdot 06\frac{72}{100}$ c. in 1887—this included the barrel, making the net price of a gallon about $4\frac{1}{8}$ c. The value of petroleum and products exported in 1864 was 10,702,689 dol., in 1887 46,824,933 dol.

The certificates issued by the trustees have been bought and sold at times, but only to a limited extent.

The declaration of dividends has been made once in three months since the formation of the trust, the average interest during the whole time being $7\frac{1}{2}$ per cent., and in addition to this there have been accumulated earnings of 3 or 4 per cent. per annum. These earnings in the early part of the year 1887 were represented by additional certificates of the trust.

The duties of the trustees, it was stated, has been to receive the dividends from the companies, to hold the same for safe keeping, and to distribute to the shareholders the funds. As trustees they do not take any part in the management of the several refineries. The trust has, on some occasions, acquired the stock of some small and badly-constructed refineries which have practically gone out of operation, and their places have been supplied by the new and improved methods. It was denied that anything was ever done to make the operations of refineries outside the trust so unprofitable that parties would have to come into the trust or abandon the business, nor has any attempt been made to repress competition. It was stated that the operations of the trust, either directly or indirectly, have not in any way interfered to leave absolutely to the ordinary rules of supply and demand the product of the crude oil and the manufacture and sale of the refined oil.

The majority of the stock at the time of the formation of the trust was owned by the persons who were then made trustees. On January 1, 1888, there were about 100 competing companies outside of the trust. Monthly reports of the business of every refinery belonging to the trust were forwarded to the trustees.

The market value of the 90,000,000 of stock, which was held by about 700 holders in 100 dol. shares, was about 165 dol. per share.

In reply to a question to explain how it was, under the opera-

tion of the existing competition, that the price of refined oil had been brought down to its present low point, the following interesting answer was given by the witness under examination :—

" By the reduction of the cost of producing oil it has always been found that, with all the talent that was represented in the different departments of the oil business, progress was steadily made in all the departments of the business—in the chemistry, in the making of the barrels, in the making of the tin cans, and in all the little economies of the business, steady progress has been made; and as that progress has been made the sale of products has been pushed more and more with a return. That has been the history of the steady reduction of cost of all that goes to make up the aggregate cost of the oil and an improvement in the quality of the oil. In earlier times knowledge was very imperfect in regard to cleansing the oil, and there were repeated explosions from oil lamps. As years have gone on those difficulties have been overcome by greater precaution in the manufacture, and through increased knowledge how to prevent them."

The witness then went on to say that complaint against the oil of the company was caused by the employment of bad wicks, which were manufactured by foreign competition with the view to depreciate the quality of the oil. The company, in order not to be labouring under a disadvantage on account of a poor wick, took the matter in hand, and were successful in beating down the sale of the bad wicks, providing wicks of their own, in some cases without cost.

It was admitted that the nine trustees had the power to control all the enterprises merged in the trust in common and for the common good.

In the Standard Oil interest 25,000 men are employed, receiving from 1 dol. 50 c. to 3 dol. a day. The purpose of the trust was stated at the investigation to be the promotion of the American oil industry by the exploitation of the markets of the world, and by the inauguration of the best possible economy in the carrying on of the business.

It was strenuously denied that the Standard Oil Trust had obtained any discriminations in their favour from transportation companies. The trust had profited by arrangements made before its formation in 1882 with certain railroads by the Standard Oil Company, which, since that date, has been merged in the trust. An answer on this point given at the investigation was as follows :—

"I stated in my testimony this morning that I had known of instances where companies altogether outside of the trust had enjoyed more favourable freights than companies in this trust. I am not able to state that there may not have been arrangements for freight on the part of companies within this trust as favourable as, or more favourable, than other freight arrangements ; but in respect to that I know of nothing peculiar in respect to the companies of this association. I suppose they make the best freight arrangements they can."

During the inquiry testimony was given that an arrangement had been made in 1887 with the Oil Producers' Association, by the Standard Oil Trust, by which 5,000,000 barrels of oil belong-

ing to the trust were set apart for the benefit of the association, upon its agreeing to curtail the production of crude oil at least 17,500 barrels per diem. This agreement was not signed by the Standard Oil Trust or the trustees, but by the Standard Oil Company of New York. It is held to be important as showing that, under the transactions of the trust, control was exercised over the production of the crude article. Its terms were as follows: —

"MEMORANDUM of Agreement between the Standard Oil Company and Producers.

"MEMORANDUM of agreement, made this 1st day of November, 1887, between the Standard Oil Company of New York and the following named persons, partnerships, and corporations, producers of crude petroleum, Thomas W. Phillips and others, whose names will be found in the schedule hereto attached, and made part of this agreement, as follows:—

"Whereas there has accumulated, in past years, an excessive stock of crude petroleum, which is deteriorating in quality, and a portion of which each year becomes sediment, valueless for any purpose, and the carrying of which excessive stock requires the expenditure of vast sums annually; and, whereas in consequence of the existence of said stock the price of crude petroleum has for the past year been largely below the cost at which the same was produced; now in order, as far as possible, to preserve the said stock from further waste, and to conserve the public interest and our own, this agreement witnesseth:

"That the Standard Oil Company of New York will set apart, at 62 cents per barrel, and hold for the use of the above-named producers, and those who shall hereafter become parties to this agreement, as herinafter provided, 5,000,000 barrels of merchantable crude petroleum, of 42 gallons each, to be sold and disposed of in the manner hereinafter provided. The said 5,000,000 barrels of petroleum to be subject, until sold by the said producers, to the usual assessments, storage charges, and interest upon the same, as also interest on the price of said petroleum, at 62 c. per barrel; said assessments, charges, and interest to be added to the price aforesaid.

"In consideration of which the above-named producers agree to limit their production of petroleum, that for the year next ensuing from this date, they or any number of them shall, for said year, collectively produce at least 17,500 barrels of crude petroleum less per day than they or any number of them collectively produced per day for the months of July and August, 1887, and that they will use every reasonable endeavour to control their production so that the same shall be in the aggregate 30,000 barrels less per day than it was during the said period of July and August, 1887.

"If at the end of three months from the date hereof the said reduction of 17,500 barrels per day shall be attained, to be measured by taking the average production of the above-named producers for the months of December and January next, and comparing the same with their average production for the months

of July and August, 1887, a statement of the same being hereto attached and made part of this agreement, then the said 5,000,000 barrels of petroleum shall be delivered as fast as the same shall be sold by, upon the order, and for the account of, said producers through their executive committee appointed by agreement between themselves, and hereinafter named, to be paid for with interest and storage as delivered; that the profits aforesaid upon said 5,000,000 barrels of petroleum as sold, in accordance with the provisions of this agreement, shall, by said Standard Oil Company and said producers executive committee, be deposited with the United States Trust Company, in New York city, until the expiration of one year from the date hereof, in trust, in accordance with and subject to the provisions of this agreement, and in case the above-named producers or any number of them shall not have lessened their production 17,500 barrels per day for said year as aforesaid, then all of said profits upon said 5,000,000 barrels of petroleum shall belong and be paid to the Standard Oil Company of New York, and in case the said above-named producers or any number of them collectively shall have lessened their production 17,500 barrels per day for the said year as aforesaid, then the entire profits aforesaid upon the 5,000,000 barrels of petroleum shall be paid to said producers executive committee, to be by it distributed in accordance with agreements between themselves to such of said producers as have fulfilled the terms of this agreement, and all agreements between themselves relating to such distributions.

"The said producers are guaranteed by said Standard Oil Company of New York against loss within said year upon said 5,000,000 barrels of petroleum. The lessening of 17,500 barrels per day above provided shall embrace and include any reduction or lessening of production by producers who shall sign contracts not to use means to increase their production by drilling or otherwise.

"Producers may become parties to this agreement within the year the contract is to operate, by signing the agreement between producers authorising the executive committee to sign this contract on their behalf, and having their names added hereto as parties by said executive committee.

"The following named persons constitute the executive committee above referred to, to wit:

"(Signed) ."

Referring to this transaction, the Committee of the House of Representatives reported as follows:—

"The care with which the Trustees avoid making any agreement relating to commodities appears from the testimony as to the arrangement with the Oil Producers' Association in 1887. The officers of this association testified that an arrangement was then made with the Standard Oil Trust by which 5,000,000 barrels of oil belonging to the Standard Oil Trust were set apart for the benefit of the association, upon its agreeing to curtail the production of crude oil at least 17,500 barrels per diem. These

witnesses undoubtedly understood that their arrangement was with the Standard Oil Trust, but the written agreement produced and now in evidence shows that it was made with and signed by the Standard Oil Company of New York, one of the companies whose stock is held by the trustees, and that the Standard Oil Trust, or the trustees thereof, as such, are not parties to it, nor is either of them responsible for the carrying out of that agreement."

An enormous mass of evidence was taken with the view of establishing the fact that arrangements had been made and were still in force between some of the principal railroad companies and the Standard Oil Trust, by which the trust had secured very great discriminations in their favour, against which outside refineries were unable to compete. These discriminations, it was held, were the real origin of the power of the trust.

The technical evidence taken before the committees during the investigations was very voluminous, but, as stated elsewhere, it was not held to substantiate the grave charges which have been made against the system of trusts.

The above are among the principal points in the evidence given at the investigations before the committees charged with them. The committee reported to the Senate of the State of New York to the following effect:—The Standard Oil Trust is the original trust, and its success has led to the formation of other trusts. It was organised in 1882 by about 50 persons, who were engaged in the production, refining, or carriage of the commodity known as "coal or kerosene oil." Its principal office is in New York. These persons entered into an agreement by which they, holding controlling interests in certain corporations, joint-stock associations, and partnerships, placed their stock in the hands of nine trustees, who then became the Standard Oil Trust, having a complete supremacy over all the industries whose stock it held.

The trust instrument also made provision for taking new corporations into the combination at a valuation to be agreed upon, and for which stock certificates of the trust were to be issued. The agreement also made provision for the formation of corporations in different States, to be called the Standard Oil Company of such several States, the stock of which was to be held and its affairs controlled by the same governing body, that is by the nine trustees.

When the agreement was completed, and at the first meeting of the trustees they caused the value of the properties of the several corporations, known as the Standard Oil Company of Ohio, whose stock was in control of the trust, to be fixed at 70,000,000 dol., its net earnings of the six years preceding having been annually 13¼ per cent. on that sum. This amount was afterwards increased, in accordance with a provision of the trust agreement, to 90,000,000 dol., the actual value of property in the trust control (at the time of the report) being, according to the testimony given, not less than 148,000,000 dol. This sum, in the

hands of the trustees, who own a majority of the stock, is one of the most active and most formidable moneyed powers in the United States. Its influence reaches into every State, and is felt in remote villages; the product of its refineries seek a market in almost every seaport in the world. This vast wealth is the growth of about 20 years—this property has more than doubled in value in six years: the people may well be apprehensive of such a centralisation of wealth, wholly independent of legal control, and seek out means to modify, if not prevent, the aggregation of great corporations into partnerships with unbounded resources.

The committee's report went on to say that it had been unable to make the investigation complete. No witness came forward to accuse this combination of the great offences commonly laid to its charge. No proofs were brought forward of its rapacity, or of the greed with which it laid hold of every competitive industry, except such as might be drawn from the fact that it is almost the sole occupant of the field of oil operations. Nor were any produced to show its power over railroad and transportation companies—its officers had admitted that its wealth and the amount of its business enabled it to obtain better terms than its poorer competitors. On the other hand, the management of this combination claim that its industries furnish employment to 25,000 men, many of them skilled workmen, receiving high wages; that its oil is cheaper and better in quality than ever before; that the growth of its property in value is due to the talent and industry of its managers and to their energy in seeking and discovering new markets; and that the reduction in the price of oil and the excellence of the product of their refineries are due to their superior machinery, and to the economies which the extent of their operations enable them to carry out. The report directs attention to the argument of the promoters of the Standard Oil Trust, which was held by other trusts included in the investigation, that their combination does not necessarily have the effect of raising the price of the manufactured article to the consumer, nor of lowering the price of the raw article to the producer; that the low price charged to the consumer depended to a great extent upon the plant controlled by the manufacturer and upon the capital at his command; and that the larger the capital and the more extended the field of its industrial operations, the higher will be the price paid to the producer of the raw material, and the lower the price charged to the consumer of the refined product. But the report points out that facts of recent date have not sustained these theories. The price of sugar since the formation of the trust has largely advanced, also that of cotton-seed oil, under the influence of the combination which practically controlled the entire industry of the country.

With the price of coal or kerosene oil the case is different. It has steadily diminished since the formation of the Standard Oil combination, but the committee hold that this diminution of price is not due to the existence of the trust, but to the extension of

the field of oil production and ever-increasing volume of crude oil put upon the market. Further, that the Standard Oil Company, and afterwards the trust, had only lowered the price to the consumer to serve their own purpose, being thereto compelled by the increasing supply. It holds that the trust has doubtless the power to put up prices, even if it does not exercise it. "If in the future the field producing the commodity manufactured and sold by this combination of corporations shall fail to increase its present or shall return a diminished quantity, the Standard Oil Trust will be able to fix the price of the product of its refineries in this country, if not in the world."

"Colossal fortunes, hastily accumulated, are always abhorrent to the people, and even in the hands of private individuals are often considered a menace to good government. . . . . The end if not the purpose of every combination is to destroy competition, and leave the people subject to the rule of a monopoly."

The committee concluded their report by urging the necessity for legislation to modify, if not to prevent, the greater evils complained of; for the restraint of many of the lesser combinations of the nature in question, which influenced the sale of the necessaries of life, the law provided remedies more or less effective.

The committee carried on its investigations the following year, making its report in May, 1889. Testimony was taken relative to the formation, &c., of several trusts or combinations, among which were the Copper Trust, the Sugar Trust, the Jute Bagging Trust, the Milk Trust, the Elevator Trust, the Wholesale Grocers' Trust, but nothing of any novel character was elicited. The account of the Copper Trust, very succinctly summarised in the report of the committee, is of interest.

The report commenced by stating that the prices of copper, sugar, and jute bagging had risen under the respective trusts dealing with those articles. The Milk Trust, the Elevator Trust, and the Wholesale Grocers' Trust regulated prices.

After describing the organisation of a trust, stating that many combinations are called trusts, which are not trusts, and that the report will consider combinations of every form as trusts, it goes on to say that the greatest economic question of the time is whether such forces as these combinations present can exist in the State, unrestricted by legislative enactment, and subject only to those natural laws which govern commercial intercourse among men, without danger to the interests of the people, or to the existence of the State itself.

It must not be forgotten that the trust has existed in some form or another in every commercial community and in the most remote ages. It cannot but be doubtful whether laws made for the total destruction of such development in the world of trade would not be a calamity to public welfare instead of a benefit.

Competition, the report holds, is not without its evils nor combination without its advantages. All the world over the weak are overcome by the strong, and nothing lives or thrives but at

the expense of something else which was in some way its competitor.

Excessive competition has caused enormous losses to railway, telegraph, and other corporations, who have made sacrifices to secure some particular field of enterprise to the exclusion of every adversary. The result is that these combatants, tired of combating, combine together, hoping, thereby, to make good the losses they have sustained in the time when they were competitors. They then look sometimes for an excessive remuneration, and against this abuse of power conservative regulation should and may be directed.

Combination rarely exists, except as the result of excessive competition, which upsets the natural condition of affairs in which the law of supply and demand primarily fixes the reasonable and natural price of every commodity. Under excessive competition the competitor lessens to the lowest point the cost to the consumer, hoping thereby to ultimately control the market and ruin his adversary.

The cheapness of the article is only temporary. When the weaker competition is driven off or destroyed, the stronger expects to be able to fix a price above that which would be required by the law of supply and demand. Competitors, to save themselves, seek refuge in combination. Combination is, without doubt, the natural result of excessive competition. "The history of the Copper Trust or syndicate, the Sugar Trust, the Standard Oil Trust, the American Cotton Oil Trust, the combinations of railroads to fix the rates of freight and passenger transportation, all prove beyond question or dispute that combination grows out of, and is the natural development of, competition, and that in many cases it is the only means left to the competitors to escape absolute ruin."

The report then goes on to speak of the judicial and legislative disapproval and restraint which had existed in the matter of monopoly and combination which often arose out of excessive competition, and refers to the offences under English law of "forestalling," "regrating," and "engrossing."

(These offences are described later in this report.)

Although this legislation has been repealed in England, the offences are still claimed to exist in the State of New York, but the committee maintain that these antiquated and unreasonable provisions only aggravated the evils they were intended to abate. The history of the law relating to contracts in restraint of trade is cited to show that the most conservative branch of every Government respond to the opinion of the vanity of all endeavours to impose unreasonable restrictions upon trade.

The case of the Diamond Match Company v. Roeber is especially cited to show the opinion of the court of last resort of the State of New York upon this subject. The opinion in that case stated: "It is clear that public policy, and the interests of society, favour the utmost freedom of contract within the law, and requires that business transactions should not be trammelled by

unnecessary restrictions;" and the opinion of an English court is quoted with approval. "If there is one thing more than another that public policy requires, it is that men of full age and competent understanding shall have the utmost liberty of contracting, and that contracts when entered into freely and voluntarily shall be held good and shall be enforced by the courts of justice." The court held that a covenant that defendant would not for 99 years engage in the manufacture of a certain commodity within the United States or territories, except in the State of Nevada and territory of Mentana, was good; and the opinion further stated that "a party may legally purchase the trade and business of another for the very purpose of preventing competition, and the validity of the contract, if supported by a consideration, depends upon its reasonableness between the parties." Also in the case of Leslie v. Lorillard, where the validity of a contract between certain steamboat companies (corporations) to restrain competition was involved, and where the contract was held good. The court said: "At the present day there is not that danger (from contracts in restraint of trade or competition), or at least it does not exist to an appreciable extent, except possibly as suggested in the case of corporations." . . . "I do not think that competition is invariably a public benefaction, for it may be carried to such a degree as to become a general evil."

The action of the courts, through a long series of years, seems to have settled the rule "that public policy justifies and requires the largest liberty of contract within the law, untrammelled by unnecessary legislative and judicial interference or restraint."

The report directs attention to the unwisdom of needless legislative interference with the social and business affairs of a community (what might be called an infringement of the doctrine of "Laissez faire," hitherto held so sacred in the United States), but maintains the necessity of upholding the police power of the State, "which enables it to prohibit all things hurtful or detrimental to the comfort and welfare of society."

The report up to this point is intended to convey briefly the impression of the committee regarding certain legal propositions closely connected with the subject of trusts, and in the light of which, modified by later conditions created by the use of steam, electricity, and machinery, such combinations are likely to be considered by the courts.

The committee is not unwilling to admit that benefits to the public interests are not inconsistent with the trust organisation, but expresses apprehension less enlarged capital, extended industry, &c., bring increased power over prices, which power may be used to public detriment.

It concedes that combination of some sort is a law of trade—that while individual enterprise is the unit or ultimate factor in the world of business, the law of combination develops the individual and the copartnership into the Joint Stock Company, the Joint Stock Company into the Corporation, and finally the Corporation into the Trust.

By the combinations of late years the labour of the small tradesman has doubtless been greatly interfered with: this is to be regretted, but it cannot be denied that the public profit by the change of all combinations. Those which manufacture, or deal in what are called the necessaries of life, are least to be feared, for the sources of such products are world-wide, are in a state of constant activity, and cannot be controlled or even affected for any length of time by capital, however large.

As an example of this proposition, the report gives succinctly the history of the Copper Syndicate, taken from the evidence given before the committee.

The Copper Syndicate was formed by a Frenchman of great ability in the design of controlling the world's supply of copper. As part of the scheme he contracted with the leading copper companies of the United States for all the copper they could produce in five years up to a certain quantity, which they were not to exceed, agreeing to pay absolutely a price largely in advance of what copper was then worth, and to share with such companies such advances as he received in excess of that price.

The price of copper immediately advanced from 10 c. to 17 c. per lb. The consumption decreased; the stock accumulated; new mines began to be developed. The combination found it difficult, even with great resources, to carry the load of stock constantly increasing, until, finally overcome by the magnitude of its responsibilities, and notwithstanding much financial assistance, it failed and brought ruin on all its promoters. Every such combination dangerous to the public interest carries within itself its own destruction.

The committee drew attention to the danger which might arise from legislative interference in trust combinations which exist in other States and nations; much capital might thereby be driven out of the State.

The Elevator Companies forming the trust were violating the law of 1888, claiming that it was unconstitutional. A test case would soon be heard by the Court of Appeal.

The committee concluded by the opinion that while the trust may be dangerous and should be watched over by law, it did not necessarily imply monopoly—that combination has greater power of good and evil than individuals, but that its power for the latter is lessened by the discoveries of the age. Labourers may combine together, under limits plainly designated, within which such rights may be exercised. The principles upon which such rights were formerly denied bear a strong resemblance to those which are now urged to deny absolutely the right of combination to capital. The committee would not wish that combination, consistent with public welfare, should be unnecessarily restrained, but the severest penalties should be prescribed and enforced for every attempt at combination, the object of which may be monopoly or the due enhancing of prices.

The investigation, though it has not resulted in legislation, has not been without great public advantages, and shows that the more that is known of trusts the less they are to be feared.

In the action of the people of the State of New York v. the North River Sugar Refining Company, the issues involve the validity of the trust and the penalties incurred by the several corporations of which it is composed, or which have been instrumental in its creation. The decision of the court of last resort will be awaited with the deepest interest.

"Under these circumstances legislative action may well be deferred until such final decision is rendered. And when the rules applicable to such combinations shall have been finally settled and applied by the courts, such legislation may be enacted as may be necessary in the premises."

The minority report concurred in many of the propositions of the majority report.

It looked to the ultimate decision in the action brought against the North River Sugar Company to show what was the declared common law on the question. It was unable to look upon gigantic combinations of capital exercising corporate powers without being subject to govermental restraints as harmless or beneficial, nor to hold that time and the law of supply and demand would correct the abuses resulting from such colossal combinations of money and power. The trust succeeds when destruction of competition is possible: it fails when the purses or the skill of its rivals or enemies prove superior to its own. It has been seen that "the principles of the common law are adequate for the protection of the citizen against these great combinations, so long as the enforcement and interpretation of the laws are entrusted to officers themselves incapable of being influenced by improper motives. If, in the future, the monster aggregations of wealth, which now prove so potent, both in the State and the nation in preventing legislation directed against their selfish and dangerous methods, shall prove equally successful in retaining administrative officials and in subsidising the bench itself, the only remedy rests with the sovereign people, whose patience may eventually be tried too far."

The Committee of the House of Representatives pointed out in their report that it was obvious that this kind of combination (referring to the Standard Oil and Sugar Trusts) was devised for the purpose of relieving the trusts and trustees from the charge of any breach of the conspiracy laws of the various States, or of being a combination to regulate or control the price or production of any commodity: hence they assert that the corporations themselves, which control and regulate the price of commodities and the extent of production, and have tangible property, remain with their organisation intact and distinct, and not in combination with each other; that the stockholders, who owned only the stock, and by well settled legal rules had no legal title in the property of the corporations, entered into the agreements and sold their stock in the corporations, and accepted in payment trust certificates and that the trustees receive and hold only the stock of corporations, and have no legal title to any of the property of the corporations, and neither buy nor sell anything nor combine with any one to fix prices or regulate production of any commodity.

Before the termination of the investigation by the Committee of the House of Representatives, a letter was addressed to the chairman, on behalf of the members of the Standard Oil Trust, requesting that certain witnesses be called to explain and contradict statements which had been made. The explanations and contradictions would relate to—First, the evidence respecting rebates, drawbacks, and preferential rates, stated to have been granted by certain railroads to corporations which belonged to the trust, owing to which it had been held that the Standard Oil Trust was built up and enriched, and that numerous refineries had been squeezed out and ruined; second, to the evidence of witnesses relative to the quality of oil delivered on certain occasions; third, to the untrustworthiness of several witnesses; and, in conclusion, witnesses were offered to prove that the disastrous condition of the refining business and the numerous failures of refineries prior to 1875 arose from imperfect methods of refining, want of co-operation among refineries, the prevalence of speculative methods in the purchase and sale of both crude and refined petroleum, and sudden and great reduction in prices of crude oil and excessive rates of freight; that these disasters led to co-operation and association, and that such association and co-operation, resulting eventually in the Standard Oil Trust, has enabled the refineries so co-operating to reduce the price of petroleum products, and thus benefit the public to a very marked degree; and that this has been accomplished. (1) By cheapening transportation, both local and to the seaboard, through perfecting and extending the pipe-line system; by constructing and supplying cars by which oil can be shipped in bulk in less cost than in packages, and the cost of the packages also be saved; by building tanks for the storage of oil in bulk; by purchasing and perfecting terminal facilities for receiving, handling, and reshipping oils; by purchasing or building steam-tugs and lighters for seaboard and river service; and by building wharves, docks, and warehouses for home and foreign shipments. (2) By uniting knowledge, experience, and skill; by building manufactories on a more perfect and extensive scale, and with improved machinery and appliances, they have been enabled to manufacture a better quality of illuminating oil at less cost, the actual cost of manufacturing having been reduced thereby about 66 per cent. (3) That by the same methods the cost of manufacture in barrels, tin-cans, and wooden cases has been reduced 50 to 60 per cent. (4) That, as a result of these savings in cost, the price of refined oils has been reduced, since co-operation began, about 9 c. per gallon, after making allowance for reduction in the price of the crude oil, and this reduction amounts to a saving to the public of about 100,000,000 dol. per annum. (5) That by this co-operation the consequent cheapening of products and the united efforts to open up foreign markets, the value of the exports of petroleum and its products; averages nearly 50,000,000 dol. per annum, notwithstanding the great decrease in the price. (6) That were it not for this cheapening of transportation and of

the cost in the manufacture of products, the American oil trade could not hold its own in the markets of Europe and Asia against the competition of Russian oil products.

The next most important trust in the country is the Sugar Trust. This combination, with a capital represented by stock certificates amounting to 50,000,000 dol., came into existence by virtue of an agreement dated August 16, 1887, which went into effect about November 1 of that year, between the stockholders of a number of sugar refineries, by which they agreed to surrender the stock of their several corporations to certain persons, as trustees, called the Sugar Refineries Company, who were to hold the same for the benefit of all, and in exchange for such stock so surrendered, the stockholders were to receive stock certificates in the Sugar Refineries Company, in amount at least four times the nominal value of the stock surrendered. It was maintained in the report of the Senate of New York that this stock of the several corporations in the hands of the trustees, called the Sugar Refineries Company, gave them the absolute control of all the refineries in the combination, and enabled the trust to run all the refineries exclusively for the profit of all and without any competition between them. By such surrender the several corporations became the mere satellites of the trust, and all their affairs came under the domination of the central body. A system of reports, containing statements of raw material purchased, refined sugar on hand, the daily output of each refinery, together with the funds in the treasury, was established between the trust and the corporations. The Sugar Refineries Company controlled the putting down and the running of any refinery; but it was held that, work or idle, that refinery received its share of the general earnings. The trust exercises absolute control of all the industry, and at its discretion takes in new corporations which surrender their stock at a valuation agreed upon, and in return receive certificates of stock in the Sugar Refineries Company, for which reception of new corporations the original trust agreement made full provision. The Senate Committee of the State of New York reported to the Senate in the above sense, and, further, that it was obvious that this combination, representing, as it did, 86 per cent. of the sugar refining capacity of the Atlantic coast, and all the sugar refineries in the State of New York, could greatly affect and, for a time at least, control at once the price of the raw material and of the refined product, and this without regard to the interest of the consumer.

In conclusion, the report stated that it appeared that the price of sugar had largely advanced since the formation of the trust, and no satisfactory explanation had been given of the cause of such advance, aside from the probability that the combination, consisting of 85 per cent. of the sugar refineries of the Atlantic coast, is able to put up prices at its pleasure.

The original trust agreement was as follows:—

"DEED.

"*The Sugar Refineries Company.*

"The undersigned, namely:

(Follow the names.)

"For the purpose of forming the board hereinafter provided for, and for other purposes hereinafter set forth, enter into the following agreement:

"NAME.

"The board herein provided for shall be designated by the name of the Sugar Refineries Company.

"OBJECTS.

"The objects of this agreement are:

"1. To promote economy of administration and to reduce the cost of refining, thus enabling the price of sugar to be kept as low as is consistent with a reasonable profit.

"2. To give to each refinery the benefit of all appliances and processes known or used by the others, and useful to improve the quality and diminish the cost of refined sugar.

"3. To furnish protection against unlawful combinations of labour.

"4. To protect against inducements to lower the standard of refined sugars.

"5. Generally to promote the interests of the parties hereto in all lawful and suitable ways.

"BOARD.

"The parties hereto who are not corporations shall become such before this deed takes effect.

"Each corporation subscribing hereto agrees and the parties hereto who are not corporations agree as to the corporations which they are to form; that all the shares of the capital stock of all such corporations shall be transferred to a board consisting of 11 persons, which may be increased to 13 by vote of the majority of the members of the entire board, the two additional members to belong respectively to the first and second classes hereinafter provided for.

"Any member of the board may be removed by vote of two-thirds of the members of the entire board, in case of incapacity or neglect, or refusal to serve.

"Any member may resign by filing written notice of his resignation with the secretary of said board.

"Vacancies during the term of office of members shall be filled by appointment, by vote of the majority of the members of the entire board.

"A member appointed to fill a vacancy shall hold office until the expiration of the term of the member in whose place he is appointed, which new appointee shall succeed to all the rights, duties, and obligations of his predecessor under this deed.

"Vacancies by expiration of office shall be filled at the annual meeting of the holders of certificates herein provided for, or at such other times as shall be prescribed by the board.

"Such annual meetings shall be held in the city of New York in the month of June, and notice shall be given to each certificate holder of record of every meeting of certificate holders, by mailing to him, at least seven days before said meeting, a notice of the time, place, and object of such meeting. Holders of certificates shall vote according to the number of shares for which they hold certificates. They may vote by proxy.

"The board may make bye-laws. All arrangements for meetings, elections, and all details not herein specifically provided for, shall be made by the board. A member of the board may act by proxy for any other member with like effect as if he were present and acting.

"A majority of the members of the board shall constitute a quorum for the transaction of business. The action of a board meeting, by a majority vote of such meeting, shall have the same effect as the unanimous action of the board, except as herein otherwise provided, and that to authorise the appropriation of money, bonds, or shares, shall require the assent either written or expressed by vote, at a board meeting, of at least a majority of the members of the entire board.

"No member of the board shall, during the time that he holds office, buy or sell sugar, or be interested directly or indirectly in the purchase or sale of sugar, whether for the purpose of speculation or otherwise, without a vote of a majority of the members of the entire board. For any violation of this provision, he may be removed as a member of the board, and shall be liable to account for profits which shall be realised by him to the board for the pro rata benefit of the certificate holders.

"As it is desirable that the board shall consist of members who are largely interested in the properties and the business contemplated, it is hereby agreed that all members of the board shall be free to join in or become parties to agreements and transactions which the several boards of directors, hereinafter referred to, or this board, may arrange, to the same extent and in the same manner, and with the like effect, as if they were not members of the board.

"The said board may transfer, from time to time, to such persons as it may be desired to constitute trustees or directors or other officers of corporations, so many of the shares as may be necessary for that purpose, to be held by them subject to the provisions of this instrument. Such transfers may be executed by the president and treasurer of the board, in behalf of and as attorneys of the board, for that purpose, and to be re-transferred when so requested by the board.

"The first board shall consist of the persons hereinafter mentioned. They shall hold office as follows, and until their successors shall be elected:—

"*Members of the First Class.*

(Follow four names.)

"To hold office seven years.

"*Members of the Second Class.*

(Follow four names.)

"To hold office five years.

"*Members of the Third Class.*

(Follow two names.)

"To hold office three years.

"At the expiration of the terms of the third class, and of each successive class, their successors, as members of such class, shall be elected for seven years.

"OFFICERS.

"The Board shall appoint from its members a president, vice-president, and treasurer, and it shall also appoint a secretary, who may or may not be a member of the board. The board may, from time to time, create other offices and appoint the persons to fill them. It may appoint committees. It shall designate the duties and prescribe the powers of the several officers and committees.

"PLAN.

"The several corporations, parties to this agreement, shall maintain their separate organisation, and each shall carry on and conduct its own business.

"The capital stock of each corporation shall be transferred to the board, and, in lieu of the same, certificates not exceeding fifty million of dollars, divided into five hundred thousand shares, each of one hundred dollars, shall be issued by the board and distributed as hereinafter provided.

"The certificate shall be in the following form:—

"No. Shares.

"*Shares One Hundred Dollars Each.*

"THE SUGAR REFINERIES COMPANY.

"This is to certify that is entitled to shares of the Sugar Refineries Company.

"This certificate is issued under and subject to the provisions of a deed dated the sixteenth day of August, one thousand eight hundred and eighty-seven.

"The shares represented by this certificate are transferable by the holder and his personal representatives in person or by attorney, upon the books of the board, and not otherwise, and only upon the surrender of this certificate.

"They entitle the holder to the rights, and are subject to the provisions, mentioned in the deed.

"The interest of the holder is in the proportion of the number of shares represented by this certificate to the entire

number of shares outstanding. The total amount represented by outstanding certificates, and the terms of the deed may be changed from time to time by a majority in interest as therein provided.

"In witness whereof the board has caused this certificate to be signed by its president and treasurer, and the seal (L. S.) of the board to be affixed hereto, the day of one thousand eight hundred and eighty.

"For value received do hereby assign, transfer, and set over unto shares of those represented by the within certificate, and do hereby constitute and appoint attorney, irrevocable, for and in name and stead, to transfer the said shares upon the books kept for the purpose under the direction of the within board.

"The assignee by accepting this transfer assents to the terms of the deed referred to in the certificate as the same shall be changed from time to time.

"Witness hand and seal this day of one thousand eight hundred and eighty.

"TITLE.

"The shares of the capital stock of the several corporations to be transferred to the board as herein provided shall be transferred to the names of the members of the board as trustees, to be held by them and by their successors as members of the board strictly as joint tenants.

"By the death, resignation, or removal of any member of the board the whole title shall remain in the others. All members ceasing to be such shall execute such instruments as may be necessary, if any, to keep the title vested in the persons who from time to time shall be members of the board.

"The board shall hold the stock transferred to it, with all the rights and powers incident to stockholders in the several corporations, and subject only to the purposes set forth in this deed.

"DIVISION OF INTEREST.

"The several corporations shall be entitled to the shares in the following proportions of the fifty millions of dollars, viz.:—

(Here follow the names.)

"Each refinery, and the corporation to which it belongs, shall be freed from liability and indebtedness by the parties interested in it; or such parties, if the board shall approve, may provide in cash for such indebtedness or liability, leaving the same to stand at the pleasure of the board; except that the employé's contracts shown in the schedules hereto annexed, and the contracts with the and the pending for improvements and enlargements, shall continue as liabilities.

"Annexed hereto are schedules in general terms of the properties of the several refineries. The properties are guaranteed to correspond with the schedules by the parties interested therein, who are to make good any deficiency. On the complete execution of this agreement each of the said parties shall make a full inventory of the property not embraced in such schedules, and useful for the conduct of the business, on hand or contracted for, including raw and refined sugars, molasses, sugars in process, syrups, bone black, fuel barrels, packages, charcoal and other supplies, and such inventory is to be examined, and the articles appraised at their present cash value (except as to sugar and molasses to arrive, which are to be appraised at their market value on arrival) by a committee of five persons as follows:—

(Here follow the names.)

"The value of such property, as fixed by four-fifths of the appraisers, shall be paid for in cash by the said board to the treasurer of each corporation.

"Bone black may at the option of the board be paid for in cash, or in the bonds hereinafter provided for, or in certificates at a rate for bonds or certificates to be fixed by a vote of a majority of the members of the entire board.

"The property shall remain with the refinery where it is, to be used by it, except as such refinery shall make a different disposition of it.

"In consideration of the transfers of their stock to the board, the said board shall also pay to the sum of to the , the sum of , and to the the sum of , on account of payments already made on pending contracts for improvements and enlargements.

"Additional shares to the amount of 400,000 dol., less 15 per cent., to be left with the board as hereinafter provided, shall be received by for improvements and enlargements of capacity of their refinery now in progress, when said improvements are completed, and the increased capacity demonstrated.

"The shares assigned to the several refineries shall be distributed by them to and among the parties interested therein.

"Each holder of stock in a refinery company shall be entitled to so many of the shares allotted to such refinery as shall be in proportion of his stock to the capital of his company.

"Shares for stockholders of any refinery company, who shall not surrender their stock, may, under the direction of the board, be deposited for their account with the right to receive the same upon the surrender of their stock.

"Of the shares allotted to the several refineries they shall leave 15 per cent. with the board, and those shares, and any shares not allotted of the 50,000,000 dol., except as herein otherwise provided, shall be subject to be disposed of by the board, either for the acquisition of other refineries to become parties to this deed, payment for additional capacity, or by appropriations to the several refineries.

"But in no case shall any appropriation be made to, or any

action be taken by, any corporation without the approval of its board of directors, and no action shall be taken by the board which shall create liability by it, or by its members.

"PROFITS.

"The profits arising from the business of each corporation shall be paid over by it to the board hereby created, and the aggregate of said profits, or such amount as may be designated for dividends shall be proportionately distributed by said board, at such times as it may determine, to the holders of the certificates issued by said board for capital stock as hereinbefore provided.

"FISCAL ARRANGEMENTS.

"The funds necessary to enable the said board to make the payments herein provided to be made by it, may be raised by mortgage to be made by the corporations or either, any or all of them on their property, and by such other means as shall be satisfactory to such board.

"In case any mortgage shall be laid on the property of any corporation by its directors or stockholders, the holders of certificates shall, within a time to be fixed by said board, have the right at such uniform rates as said board shall arrange, to have the bonds, certificates, or other evidence of debts or interest, in proportion to their respective holdings. Any parts which shall not be thus taken may be disposed of by said board.

"CHANGES.

"The number of shares, and the total amount thereof, issuable by said board, may, from time to time, be increased or diminished by deed executed by a majority in value of the certificate holders.

"The provisions of this deed may from time to time be changed by deed executed by not less than a majority in interest of the certificate holders, provided no change shall be made which shall discriminate to the disadvantage of the certificate holders as between themselves.

"ACQUISITION OF OTHER REFINERIES.

"The capital stock of other sugar refining companies, and of companies whose business relates directly or indirectly to sugar refining (in every instance to be incorporated) may be transferred to said board with the consent of a majority thereof at valuations and upon terms satisfactory to it to be held by said board under and subject to all the terms of this deed, and certificates may be issued therefor by said board, and may be sold by it to provide funds for such purchase or purchases, and any such corporation or corporations shall thereupon become a party to this deed upon causing the same to be duly signed in its behalf.

"CUSTODY OF DEED.

"This deed, when executed by the parties hereto, shall be delivered to the president of the board, who shall have the sole and independent custody and control of the same, and the said deed shall not be shown or delivered to any person or persons whatsoever, except by the express direction and order of the board.

"A copy of the said deed shall be lodged with a member of the board residing in Boston, Massachusetts, which shall be held by him under the same conditions, and in the same manner as the original need.

"In witness whereof the parties have hereto set their seals and affixed their names, these presents to become binding when completely executed by all the parties, and to take effect from October 1, 1887.

"Dated August 16, 1887.

"[Signed] (Follow the signatures.)"

The Standard Oil Trust and the Sugar Trust are the two most important in the country.

The Cotton Seed Oil Trust was a combination embracing about 70 corporations, running mills and refineries in various States of the Union engaged in the manufacture of oil from cotton seed. The manner of the formation of this trust, its management and general effect upon public interests, as well as its relation to and control of the corporations whose stock was held by its nine trustees, were practically the same as in the case of the Sugar Trust. The agreement under which this combination was formed also made provision for taking into the syndicate new competitors, upon terms similar in principle to that which originated the combination.

At a recent annual meeting of the certificate holders of this trust the result shown was so unsatisfactory that at a second meeting it was proposed and carried by the necessary majority that the trust, and the property, and assets thereof be merged or incorporated into a company called the American Cotton Oil Company, or that other arrangements be made as the reorganisation committee might deem judicious (vide dispatch from Her Majesty's Consul-General at New York in the appendix to this report). This is the most important trust in the country which has been up to the present date dissolved at the expressed desire of the holders of its trust certificates.

Action was taken some time after this second meeting, at the instance of one of the certificate holders, who filed a Bill at the United States Court of New York, in which the nature of the trust, the action of the trustees, and the plan of reorganisation are set forth, and by which it was sought to have the reorganisation plan declared illegal. A temporary injunction was granted by the Court restraining the trustees from delivering over the property of the trust to the new company, entitled the American Cotton Oil Company, a company having corporate

powers in the State of New Jersey, but shortly after the judge held that the temporary injunction could not be continued.

In the city of New York there is an organisation called the Milk Exchange, which, as it appeared from the evidence given at the investigation, was a commission house. It bought the milk from the farmer at a price fixed by the exchange, who in turn received payment from the dealer to whom the milk had been, by direction of the exchange, delivered by the farmer. The commission on the transactions collected by the exchange was 3 per cent.

The price, as far as the exchange was concerned, was fixed by a vote of the directors at the monthly meetings. The object of the creation of the Milk Exchange and its origin were described by the president of the combination, during his testimony, as follows:—

"When I first engaged in the milk business there existed some kind of a system of contracts, when they were kept. My first experience was 24 years ago. It was a contract for 2 c. for seven months, and 3 c. for five months in 1864. It went on that there was no fixed price, and finally a farmer would ask me, if I was buying milk of him, what price I was going to pay him for milk purchased from him by me, and already received and disposed of by myself. I replied, 'I did not know: that I had agreed to pay the market price.'" This market price was settled by a few irresponsible persons, who finally sent out a card announcing a price, which they changed when it suited them. This state of things brought about innumerable law suits, and the industry was in a most unsatisfactory condition from the fact of the uncertainty of the price to be paid. "So we organised this Milk Exchange, and we tried to make it up of all the different parties interested in milk: the producers, the middlemen, the collector, the creamery men in the country, and the dealer in the city; we tried to recognise all those interests in the business in this exchange. About the same time the farmers, in Orange County principally, organised a milk company, and wanted to know if we would let them into this exchange. We told them we would; we offered to let them have half the stock." This arrangement was not completed, and the Milk Exchange was organised. "We made up this exchange, asked all dealers and producers, and commenced business and announced our price. Now we never ask that our price govern the world, or anything of that kind."

An extract from the bye-laws of the Milk Exchange, ran as follows: "The board of directors shall have the power to make and fix the standard or market price of milk."

The organisation referred to above, of farmers in Orange County, failed, but the evidence did not show that the failure was owing to anything but inability to contend against lawful competition.

The committee reported on this Milk Exchange, that it was a corporation in the city of New York, with a capital of 5,100 dol.,

with directors composed mostly of middlemen who buy milk of the farmer at a price fixed by the exchange, which they practically control.

This exchange could hardly be called a trust, but the report maintained that its object was to destroy competition, and that it was a monopoly of the worst kind. It was a small affair compared with other trusts, but it was recommended strongly as a subject worthy of the attention of the Legislature inasmuch as "the milkman who brings the daily portion of milk to the dwellers in city or town, represents a commerce of vast proportions, almost equal in this country to the whole sum of our foreign importations."

The corporation, the report says, was formed with the ostensible design of buying and selling milk as declared in its articles of incorporation. But the middlemen who control it deprive it of its original purpose, inasmuch as they oblige the farmer to sell to them, *i.e.*, the Milk Exchange, his milk at one price, and then they are free to charge the consumer in the city whatever price they may please. The report concluded by recommending that legal action be taken to deprive the organisation of its charter.

The other principal trusts in the State of New York are the National Lead Trust, which lately held an open meeting, and all secrecy relating to its transactions has been abandoned. The Distillers and Cattle Feeders Trust, commonly called the "Whiskey Trust." The Linseed Oil Trust; it has been asserted that since the formation of this trust, and owing to its transactions, that the price of linseed oil has risen more than 40 per cent. The American Cattle Trust, the National Gas Trust, the Rubber Trust, the Envelope Trust, the Oilcloth Trust, the Butchers' Trust, the Glass Trust, the Furniture Trust, the Cotton Bagging Trust.

Although some of the above formed the object of special investigation before the committees, there was nothing to show that their organisation differed in principle from that of the more important trusts which have been described above.

Some of the above trusts are now endeavouring to get rid of the appellation given to them of "trusts" by procuring, in some State, a charter of incorporation.

In South Carolina and Georgia there is a combination called the Farmers' Alliance. It is a combination of cotton planters, formed for the purpose of preventing a monopoly on the part of the Jute Bagging Company of Charleston, which company had raised the price of the material for covering the bales of cotton as soon as the crop was about to be gathered, and also for the purpose of encouraging the mills of the south to manufacture a material strong enough to cover the bales. This material has been much used last season, and its success will probably prove a severe blow to the monopoly which the Cotton Bagging Trust has been endeavouring to establish.

The Acting British Consul at Galveston reports that there is an anti-trust law in the State of Texas, which renders the existence of trusts and monopolies impossible, and has already had the effect of breaking up the Cotton Seed Oil Mill Association,

and also a combination of fire insurance companies. This law is also intended to prevent the purchase of large tracts of land. A copy of this law will be found below, under the chapter entitled "Legislation relative to Trusts."

Legislation Relative to Trusts.

Laws in force whose object is the suppression of trusts.

There are a few laws which have been passed by State Legislatures, the object of which is the suppression of trusts, but no such law has ever been passed by Congress.

Law in State of Missouri.

The State of Missouri took the lead, so to say, in legislation against all combinations for regulating prices or for limiting the quantity of production. The law (copy of it is given below) also forbids corporations to own or issue trust certificates, and also forbids corporations, their officers, or stockholders to enter any combination, the purpose or effect of which shall be to place the management of the combination, or of its manufactured product, in the hands of trustees, with intent to limit prices or to lessen production or sale.

"*Anti-Pool and Trust Law.*

"An Act, entitled an Act for the Punishment of Pools, Trusts, and Conspiracies, and as to Evidence in such cases.

"Be it enacted by the General Assembly of the State of Missouri, as follows:—

"Section 1. If any corporation organised under the laws of this or any other State or country, for transacting or conducting any kind of business in this State, or any partnership or individual or other association of persons whosoever, shall create, enter into, become a member of or a party to any pool, trust, agreement, combination, confederation or understanding with any other corporation, partnership, individual, or any other person or association of persons, to regulate or fix the price of any article of merchandise or commodity, or shall enter into, become a member of or a party to any pool, agreement, contract, combination, or confederation to fix or limit the amount or quantity of any article, commodity, or merchanise to be manufactured, mined, produced, or sold in this State, shall be deemed and adjudged guilty of a conspiracy to defraud, and be subject to indictment and punishment as provided in this Act.

"Section 2. It shall not be lawful for any corporation to issue or to own trust certificates, or for any corporation, agent, officer, or employés, or the directors or stockholders of any corporation, to enter into any combination, contract, or agreement with any person or persons, corporation or corporations, or with any stockholder or director thereof, the purpose and effect of which combination, contract, or agreement shall be to place the management or control of such combination or combinations, or the manufactured product thereof, in the hands of any trustee or trustees, with the intent to limit or fix the price, or lessen the

production and sale of any article of commerce, use, or consumption, or to prevent, restrict, or diminish the manufacture or output of any such article.

"Section 3. If a corporation or a company, firm, or association shall be found guilty of a violation of this act, it shall be punished by a fine of not less than 1 per cent. of the capital stock of such corporation, or amount invested in such company, firm, or association, and not to exceed 20 per cent. of such capital, stock, or amount invested. Any president, manager, director, or other officer, or agent, or receiver of any corporation, company, firm, or association, or any member of any company, firm, or association, or any individual, found guilty of a violation of the first section of this act, shall be punished by a fine of not less than 500 dol., nor to exceed 5,000 dol., and in addition thereto may be imprisoned in the county gaol not to exceed one year.

"Section 4. Any contract or agreement in violation of any provision of the preceding sections of this Act shall be absolutely void.

"Section 5. Any purchaser of any article or commodity from any individual, company, or corporation transacting business contrary to any provision of the preceding sections of this Act shall not be liable for the price or payment of such article or commodity, and may plead this Act as a defence to any suit for such price or payment.

"Section 6. Any corporation created or organised by or under the laws of this State which shall violate any provision of the preceding sections of this Act shall thereby forfeit its corporate right and franchises, and its corporate existence shall thereupon cease and determine; and it shall be the duty of the Secretary of State, after the passage of this Act, to address to the president, secretary, or treasurer of each incorporated company doing business in this State, a letter of inquiry as to whether the said corporation has merged all or any part of its business or interest in or with any trust, combination, or association of persons or stockholders, as named in the preceding provisions of this Act, and to require an answer, under oath, of the president, secretary, treasurer, or any director of said company; a form of affidavit prescribed by the Secretary of State shall be enclosed in said letter of inquiry; and on refusal to make oath in answer to said inquiry, the Secretary of State shall immediately revoke the charter of said company, and make publication of such revocation in four newspapers of general circulation in the four largest cities of the State.

"Section 7. It shall be the duty of the Secretary of State, upon satisfactory evidence that any company or association of persons duly incorporated, and operating under the laws of this State, have entered into any trust, combination, or association, as provided in the preceding provisions of this Act, to give notice to such corporation, that unless they withdraw from and sever all business connection with said trust, combination, or association,

their charter will be revoked at the expiration of 30 days from date of such notice.

"Section 8. It shall be the duty of the prosecuting attorneys in their respective jurisdictions, and the Attorney-General, to enforce the foregoing provisions of this Act, and any prosecuting attorney, or the Attorney-General, securing a conviction under the provisions of this Act, shall be entitled, in addition to such fee or salary as by law he is allowed for such prosecution, to one-fifth of the fine recovered. When the Attorney-General and prosecuting attorney act in conjunction in the prosecution of any case, under the provisions of this Act, they shall be entitled to one-fourth of the fine recovered, which they shall divide equally between them where there is no agreement to the contrary.

"Section 9. Whereas great injustice is being done to the people of this State by the formation of trusts and trust companies, therefore an emergency exists, and this Act shall take effect and be in force from and after its passage.

"Approved, May 9, 1889."

Under the authority of this law, the Secretary of State issued the following circular and blank affidavit, and forwarded them to all corporations doing business in the State:—

"STATE of Missouri, Department of State.

"Jefferson City, Mo., September 24, 1889.

"Dear Sir,—In obedience to the requirements of an Act of the Thirty-fifth General Assembly, entitled 'An Act for the Punishment of Pools, Trusts and Conspiracies, and as to Evidence in such Cases,' approved May 18, 1889, I hereby request information as to whether your corporation has, since the date of approval of said Act, merged all or any part of its business or interest in or with any trust, combination, or association of persons or stockholders, as named and described in the provisions of said Act. An answer is required, under oath, of the president, secretary, treasurer, or any director of said Company, and to that end a form of affidavit, prescribed, as the law directs, by the Secretary of State, accompanies this letter.

"Refusal to make oath, in answer to this inquiry, will work immediate revocation of your charter, in case your association is incorporated under the laws of this State; and, in the event your association is incorporated or organised under the laws of any other State or country, refusal to make oath will subject you to prosecution under the provisions of Section 3 of said Act. A copy of the law prescribing my duties in the premises and governing your procedure, is herewith enclosed.

"Yours respectfully,

"(Signed)

"Secretary of State.

"NOTE.—If your company or corporation has ceased to do business or abandoned its corporate name, please so certify to this department.

"AFFIDAVIT.—State of Missouri, County of

"I, , do solemnly swear that I am the (president, secretary, treasurer, or director) of the corporation known and styled duly incorporated under the laws of , on the day of , 18 , and now transacting or conducting business in the State of Missouri, and that I am duly authorised to represent said corporation in the making of this affidavit. And I do further solemnly swear that the said , known and styled as aforesaid, has not, since the 18th day of May, 1889, created, entered into or become a member of or a party to, and was not, on the 18th day of May, 1889, nor at any day since that date, and is not now, a member of or a party to, any pool, trust, agreement, combination, confederation, or understanding with any other corporation, partnership, individual, or any other person or association of persons, to regulate or fix the price of any article of merchandise or commodity; and that it has not entered into or become a member of or a party to any pool, trust, agreement, contract, combination or confederation to fix or limit the amount or quantity of any article, commodity or merchandise to be manufactured, mined, produced or sold in this State; and that it has not issued, and does not own, any trust certificates; and for any corporation, agent, officer, or employé, or for the directors or stockholders of any corporation, has not entered into, and is not now engaged in any combination, contract or agreement with any person or persons, corporation or corporations, or with any stockholder or director thereof, the purpose and effect of which said combination, contract or agreement would be to place the management or control of such combination or combinations, or the manufactured product thereof, in the hands of any trustee or trustees, with the intent to limit or fix the price, or lessen the production and sale of any article of commerce, use or consumption, or to prevent, restrict, or diminish the manufacture or output of any such article.

"(Signed)

"(President, secretary, treasurer, or director.)

"Subscribed and sworn to before me, a within and for the county of , this day of , 18 .

"(Signed)

"[Seal.]"

To this circular he received many replies from corporations denying any connection with trusts. After the limit of time was passed the Secretary of State issued a proclamation revoking the charters of all corporations who had refused to comply with the law by not replying to his circular, and in one instance he notified the Quick Meal Stove Company, that he could not accept the modified affidavit which they had sent in, and that unless, within 30 days they severed all business connection with the combination with which they were in relation, and returned the affidavit as

required by the law properly signed, their charter would be revoked. It remains to be seen what steps will be taken by the companies whose charters have been revoked to prevent or retard the enforcement of the law.

The Circuit Court at St. Louis has just given a decision on the above law, which is destructive of that law so far as the authority of that court is concerned. The decision regards a particular authority conferred by the law on the Secretary of State, and does not pronounce on the legality or illegality of a trust. The law, as above given, authorised the Secretary of State to revoke, of his own will, the charter of any business corporation in the State, which refused to send him an affidavit, stating whether or not it had done any act prohibited by the statute. The State constitution provides that no person charged with the exercise of legislative, executive, or judicial power shall exercise any power not belonging to his department. As the forfeiture of a corporation charter is a judicial act, the Court held that the authority conferred on the Secretary of State, an executive officer, by the Anti-Trust law is contrary to the constitution.

Laws in the State of Texas.

The law in force in the State of Texas, to which reference is made earlier in this report, runs as follows:—

"*Trusts—Conspiracies against Trade.*

"Chapter 117. (S. H. Bs., Nos. 9, 117, 136, 192, and 313.) An Act to define trusts, and to provide for penalties and punishment of corporations, persons, firms, and associations of persons connected with them, and to promote free competition in the State of Texas.

"Section 1. Be it enacted by the Legislature of the State of Texas: That a trust is a combination of capital, skill, or acts by two or more persons, firms, corporations, or associations of persons, or of either two or more of them for either, any, or all of the following purposes:—First to create or carry out restrictions in trade; second, to limit or reduce the production, or increase or reduce the price of merchandise or commodities; third, to prevent competition in manufacture, making, transportation, sale, or purchase of merchandise, produce, or commodities; fourth, to fix at any standard or figure, whereby its price to the public shall be in any manner controlled or established, any article or commodity of merchandise, produce or commerce intended for sale, use, or consumption in this State; fifth, to make or enter into, or execute or carry out any contract, obligation, or agreement of any kind or description, by which they shall bind or have bound themselves not to sell, dispose of, or transport any article or commodity, or article of trade, use, merchandise, or consumption below a common standard figure, or by which they shall agree in any manner to keep the price of such article, commodity or transportation at a fixed or graduated figure, or by which they shall in any manner establish or settle the price of any article or commodity or transportation between them or themselves and others to preclude a

free and unrestricted competition among themselves or others, in the sale or transportation of any such article or commodity, or by which they shall agree to pool, combine, or unite any interest they may have, in connection with the sale or transportation of any such article or commodity, that its price might in any manner be affected.

"Section 2. That any corporation holding a charter under the laws of the State of Texas, which shall violate any of the provisions of this Act shall forfeit its charter and franchise, and its corporate existence shall cease and determine.

"Section 3. For a violation of any of the provisions of this Act by any corporation mentioned herein, it shall be the duty of the Attorney-General or district or county attorney, or either of them, upon his own motion, and without leave or order of any court or judge, to institute suit or quo warranto proceedings in Travis County, at Austin, or at the county seat of any county in the State, where such corporation exists, does business, or may have a domicile, for the forfeiture of its charter rights and franchise, and the dissolution of its corporate existence.

"Section 4. Every foreign corporation violating any of the provisions of this Act, is hereby denied the right and prohibited from doing any business within this State, and it shall be the duty of the Attorney-General to enforce this provision by injunction or other proper proceedings in the district court of Travis County, in the name of the State of Texas.

"Section 5. That the provisions of chapter 48, general laws of this State, approved July 9, 1879, to prescribe the remedy and regulate the proceedings by quo warranto, &c., shall, except in so far as they may conflict herewith, govern and control the proceedings, when instituted to forfeit any charter under this act.

"Section 6. Any violation of either or all the provisions of this Act, shall be and is hereby declared a conspiracy against trade, and any person who may be or may become engaged in any such conspiracy or take part therein, or aid or advise in its commission, or who shall, as principal, manager, director, agent, servant, or employé, or in any other capacity, knowingly carry out any of the stipulations, purposes, prices, rates, or orders, thereunder or in pursuance thereof, shall be punished by fine, not less than 50 dol., nor more than 5,000 dol., and by imprisonment in the penitentiary, not less than one nor more than ten years, or by either such fine or imprisonment. Each day during a violation of this provision shall constitute a separate offence.

"Section 7. In any indictment for an offence named in this Act, it is sufficient to state the purposes or effects of the trust or combination, and that the accused was a member of, acted with or in pursuance of it, without giving its name or description, or how, when, or where it was created.

"Section 8. In prosecutions under this Act it shall be sufficient to prove that a trust or combination as defined herein exists, and that the defendant belonged to it or acted for or in connection with it, without proving all the members belonging to it, or proving

or producing any article of agreement, or any written instrument at all. The character of the trust or combination alleged may be established by proof of its general reputation as such.

"Section 9. Persons out of the State may commit and be liable to indictment and conviction for committing any of the offences enumerated in this Act, which do not in their commission necessarily require a personal presence in this State, the object being to reach and punish all persons offending against its provisions, whether within or without the State.

"Section 10. Each and every firm, person, corporation, or association of persons, who shall in any manner violate any of the provisions of this Act, shall for each and every day that such violation shall be committed or continued, forfeit and pay the sum of 50 dol., which may be recovered in the name of the State of Texas in any county where the offence is committed or where either of the offenders reside, or in Travis County, and it shall be the duty of the Attorney-General or the district or the county attorney to prosecute and recover the same.

"Section 11. That any contract or agreement in violation of the Act shall be absolutely void and not enforcible either in law or equity.

"Section 12. That the provisions hereof shall be held cumulative of each other, and of all other laws in any way affecting them now in force in this State.

"Section 13. The provisions of this Act shall not apply to agricultural products or live stock while in the hands of the producer or raiser.

"Section 14. Whereas the people of this State are without a remedy against trusts, therefore an emergency and imperative necessity exists requiring that the constitutional rule which requires that all Bills shall be read on three several days be suspended, and that this Act take effect from and after its passage, and it is so enacted."

(Note.—The foregoing Act originated in the house, and passed the same by a vote of 86 yeas, no nays; and passed the Senate by a vote of 26 yeas, no nays.—Approved March 30, 1889.)

Attempted Legislation.

A great number of Bills directed against trusts have been introduced into State Legislatures and into Congress, but with the exception of those cited above none have become law, and very few have even been reported on favourably by the committees to which they were referred.

Two Bills brought into Congress in the session of 1888 were directed against the formation of boards, or trusts, as they might or not be termed, who by their dealings in agricultural products—as for instance, by establishing a "corner" or through market manipulation of any such product—cause a demoralising influence throughout the whole country.

The titles of these Bills were:—

(1.) To permit dealings in futures in agricultural products.

(2.) To prohibit fictitious and gambling transactions on the price of articles produced by American farm industry.

Copies of them are not given as they never became law.

The report of the Committee of Agriculture on these Bills was very clear and decided. The committee reported that the evil against which the legislation proposed is directed is very largely disastrous to American farmers, and that the practice of dealing in futures, *i.e.*, the fictitious buying and selling of the farm products, which has been so extensively carried on by boards of trade and other public exchanges causes enormous losses to the farmers of the country. Speculators by these gambling transactions come between the producer and consumer, and by shrewd manipulation fix the prices for both. With the combined power of united capital they dictate to the producers in detail the market prices of their products, and then in turn they dictate to the consumers the price which they shall pay for the product by virtue of the same power. They break the market by flooding it when the producers would sell, and they force it up by withholding their accumulations from the market, after the producers have parted with the great bulk of their crops. The committee were entirely of opinion that all such transactions should be suppressed by law, but were unable to find that Congressional action in the matter would be constitutional. These transactions involved a question of morals, and in such a question, local State jurisdiction could alone have effect. The grant of power in the Constitution, "to regulate commerce with foreign nations, and among the several States" does not authorise Congress to exercise jurisdiction over the subject-matter of the two Bills.

Pending Legislation.

Still more numerous than the Bills which have failed to become law are the Bills and resolutions on this subject before the present Congress. At this moment, barely three months after the opening of the session, there have been at least 26 Bills introduced into the Senate and the House of Representatives, but as far as can be foreseen it is held that none of them have a certainty of becoming law.

It would be superfluous to do more than to refer to them succinctly, but as an example of the pending legislation on this subject, the Bill introduced into the Senate of the United States by Senator Sherman is here cited.

It runs as follows :—

"A Bill to declare Unlawful Trusts and Combinations in Restraint of Trade and Production.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that all arrangements, contracts, agreements, trusts, or combinations between persons or corporations made with a view, or which tend, to prevent full and free competition in the importation, transportation, or sale of articles imported into the United States, or in the production, manufacture, or sale of articles of domestic growth or production, or domestic raw material that competes with any similar article upon which a duty is levied by the United States, or which shall be transported from one State or territory to

another, and all arrangements, contracts, agreements, trusts, or combinations between persons or corporations designed, or which tend, to advance the cost to the consumer of any such articles, are hereby declared to be against public policy, unlawful, and void.

"Section 2. That any person or corporation injured or damnified by such arrangement, contract, agreement, trust, or combination may sue for and recover, in any court of the United States of competent jurisdiction of any person or corporation a party to a combination described in the first section of this act, the full consideration or sum paid by him for any goods, wares, and merchandise included in or advanced in price by said combination.

"Section 3. That all persons entering into any such arrangement, contract, agreement, trust, or combination described in section 1 of this act, either on his own account or as agent or attorney for another, or as an officer, agent, or stockholder of any corporation, or as a trustee, committee, or in any capacity whatever, shall be guilty of a high misdemeanor, and on conviction thereof in any district or circuit court of the United States shall be subject to a fine of not more than 10,000 dol., or to imprisonment in the penitentiary for a term of not more than five years, or to both such fine and imprisonment, in the discretion of the court. And it shall be the duty of the district attorney of the United States of the district in which such persons reside to institute the proper proceedings to enforce the provisions of this act."

The majority of the other Bills and resolutions resemble each other in the salient points. The penalties to be paid for infringement vary in severity. Forfeiture, confiscation, and sale of trust goods has been advocated; the collection of debts incurred by sales of futures in agricultural products shall not be enforcible by law. The President shall have power to suspend the collection of customs duties on articles the price of which has been enhanced by a trust or combination. Any director or officer of a trust shall be liable to fine and imprisonment; it shall be unlawful to offer for sale dressed beef which has been slaughtered more than 36 hours, and shipped more than 500 miles; it shall be unlawful to make any combination tending to prevent full and free competition in the importation, transportation, &c., or sale of any article in order to enhance prices to the consumer, penalty for infringement being set down as severe as imprisonment with hard labour. The above provisions are to be found among those in the Bills forming the legislation on this subject now before Congress, which Bills after having been read have been in due course referred to the several committees, but as yet no reports have been made by the latter.

Legality of Trusts.

It will be seen from the foregoing chapter that very little special legislation exists in the States of the Union, and no federal legislation at all by which trusts are held to be illegal. The question then arises, are they legal under common law. In nearly every case where the Courts have had to decide on some

point bearing either directly or indirectly on the legality of such a combination the decision has been adverse to the system.

The most important of these actions is that of the "People of the State of New York v. The North River Sugar Refinery," a summary of which is here given in some detail on account of its very important bearing on the subject.*

The people of the State of New York v. the North River Sugar Refinery Co.

Complaint having been made to the Attorney-General of the State of New York by the citizens of that State against the Sugar Trust and one of the corporations whose stock it held, he directed prosecutions to be commenced against the corporation complained of, and the action was brought in January, 1889, before the Supreme Court of New York in circuit.

(As it has been stated elsewhere, the Sugar Trust was formed under a trust deed by which all the shareholders of certain corporations engaged in sugar refining surrendered all their stock to 11 persons as trustees, and received in place of such stock trust certificates issued by the trustees in lieu thereof in proportion to the value of their respective plants. The trustees were to receive the profits from every corporation which had joined the trust and divide them in the shape of dividends on the trust certificates. Interesting information on the Sugar Trust will be found in the dispatch from Her Majesty's Consul-General at New York, which is appended to this report.)

"The people of the State of New York v. The North River Sugar Refinery Company." In this action, brought under section 1798 of the Code of Civil Procedure to dissolve the defendant corporation for alleged abuses of its powers, and for having exercised privileges not conferred on it by law because of its participation in a combination between the owners of all the sugar refineries in the State of New York, and, with few exceptions in the United States, it appeared that the trust deed forming the basis of the combination, or the Sugar Refineries Company, which defendant with the other sugar refining corporations and partnerships signed, provided that all the partnerships should be turned into corporations; that then all shares of stock of all the corporations should be transferred to a board consisting of 11 persons, as trustees, to be held by them and their successors strictly as joint tenants, subject to the purposes set forward in the deed, which purposes are, in general, to promote the interests of the parties; that the stockholders, for whose benefit the deed is stated to be made, should transfer the entire block of their shares to 11 gentlemen to thereafter take their place; that trust certificates are then to be divided by the trustees among the several refineries in due proportion to their respective plants, and the refineries to divide the blocks of certificates among the shareholders, in proportion to the stock held by each prior to the transfer to the trust board of the combination. The director or stockholder of the several corporations afterwards holds no direct relation with the corporation, but is shareholder in the trust board.

Each corporation pays over its profits to the trust board, and

* For judgment of Court of Appeals in this case, vide p. 92.—Ed.

all the profits of all the corporations are blended, and from this fund a dividend is declared, to be distributed among the holders of the trust certificates. Necessary shares may be transferred to such persons as the trustees may desire to constitute directors, to be held by the directors subject to the provisions of the trust deed, and to be transferred when so requested by the board. The corporate acts provided for by the deed have actually been performed by the corporations, including defendant; the deed has in fact been put in execution, and a dividend has been declared upon the trust certificates issued on surrender of the shares of the defendant corporation, although its refinery was closed.

Held, that these acts complained of were the acts of the defendant corporation, and not as claimed the mere individual act of its stockholders, and that the corporation as such has entered into this combination; that corporations have no authority to enter into any partnership arrangement such as is lawful between individuals; that this combination is not of the latter character, but is inherently unlawful—its tendency being to prevent general competition and to control prices, and is therefore detrimental to the public and a legal monopoly. The corporation should therefore be dissolved and its franchises forfeited.

This was an action in the nature of a *quo warranto* in which the people demand judgment of forfeiture and dissolution upon the grounds stated in the opinion.

(Follow names of counsel for the people and the defendant.)

For the plaintiff:—

1. The creation of a corporation is an act of sovereignty, and the consideration of the grant of corporate franchises is the public benefit.

2. Hence corporate franchises are granted in trust and upon condition, in trust on the one hand that they be exerted to the attainment of the object for which they are conceded, and on the other that they be not abused to the public detriment, upon the condition that for nonuser or misuser they may be reclaimed by the State in the appropriate judicial proceeding.

3. Any act of a corporation in violation of law, and to the public detriment, forfeits its franchises.

"It is a sufficient cause of forfeiture if the acts complained of are illegal either under the statute or at common law, or in violation of the inherent and fundamental principles or implied conditions of its existence." The existence of a corporation may be annulled when it has "violated any provision of law whereby it has forfeited its charter or become liable to be dissolved by the abuse of its power."

4. Acts and contracts ultra vires of the corporate authority are illegal and grounds of forfeiture of the corporate franchises. A corporation may be dissolved when it has "exercised a privilege or franchise not conferred upon it by law" or "appended against any provision of the Act under which it was created."

5. The rule that an illegal or unauthorised act is sufficient ground of corporate forfeiture is abundantly illustrated by adjudicated cases.

6. A common law ground of forfeiture of corporate franchises is still available, though not embraced within the statute.

7. Agreements tending to monopoly, *i.e.*, "any combination among merchants to raise the price of merchandise to the detriment of the public" are illegal. "Competition is the life of trade, and whatever destroys or even relaxes competition in trade is injurious if not fatal to it."

8. The combination created by "the Sugar Refineries Company" deed being injurious to trade and commerce is a criminal conspiracy and an indictable offence. It was so at common law. It is so in the State of New York by express provision of statute. (If two or more persons combine to commit any act injurious to the public health, to public morals, or to trade or commerce, or for the perversion or obstruction of justice, or of the due administration of the law, each of them is guilty of a misdemeanour.)

9. The character of the combination whether tending to monopoly and injurious to the public will be determined by the provisions of the instrument constituting it, and without reference to its effects in actual operation. Lord Campbell in a case before him, in construing the monopoly agreement in question said, "I do not think that any averment is necessary as to what has been done, or as to any mischief which it has actually produced. We are to consider what may be done under it, and what mischief may thus arise."

10. The Sugar Refineries Company deed constitutes a combination tending to monopoly, the prevention of competition and the enhancement of prices. (1.) The natural or normal price of a commodity is the cost of its production including in such cost the profit of the producer. (2.) The influence which disturbs the market price of a commodity, either raising it above or depressing it below the normal price is the relative supply of the commodity. If the supply be greater than the demand for the commodity, competition between sellers will reduce the price. If the supply be less than the demand, competition between buyers will increase the price. The normal price prevails when the supply is exactly equivalent to the demand. (3.) It results, therefore, that the supply determines the price of a commodity, and that a control of the supply involves a control of its price. (4.) If, however, the supply of a commodity be in several hands, with diverse interests, competition between them will stimulate production, and so diminish the price. This effect, therefore, can only be prevented by concentrating the supply within the grasp of a single control, in other words by a monopoly of the supply. (5.) In its nature monopoly is incompatible with competition—necessarily excludes it—"Wherever competition is not, monopoly is." The price of monopoly is upon every occasion the highest that can be got. (7.) But to the monopoly price of a commodity, which is a necessity of comfortable existence, there is no assignable limit, since for such a commodity the consumer will pay an exorbitant price economising by abstaining from less indispensable articles.

(8.) As price depends upon the proportion of the supply to the demand, monopoly can increase the price of its commodity only by reducing the supply. (9.) As it is the competition between sellers only which reduces price, and as monopoly excludes competition, a diminution of the cost of production of a monopoly article does not lessen its price.

11. The contention of the defendant is that it is not a party to the agreement or combination because not made such by any formal, regular corporate action; that it could be made a party to the agreement or combination only by the formal action of its board of trustees, who alone are charged with the conduct of its affairs, and who alone could bind it by an obligatory engagement. But the controlling question of fact is not whether the defendant was a party to the agreement, but whether it is in the combination. It is not a true proposition of law that the board of trustees is the only or the predominant power in a corporation. True, the concerns of defendant company are managed by its board of trustees, but the trustees are elected by the stockholders, who therefore constitute the ultimate and supreme power in the corporation. Nor is it a true proposition of law that the only misconduct for which a corporation is liable, when challenged for misconduct by the people, is the misconduct of the officers through whom, in the legal sense, it acts. First: in fact the corporators are the corporation, and the notion of a corporate entity, distinct and apart from the natural persons composing the corporation—of a substance separate from its constituents—is a pure fiction, hence on a question of federal jurisdiction the corporators are the corporation. That the corporation itself expires with the death of all the persons composing it demonstrates the identity of the corporation and the corporators. But the authorities to the point, *i.e.*, that the action of the stockholders is the action of the corporation, especially when, as here, the corporation is challenged for misconduct, are uniform and overwhelming. In the case of Webster v. Turner the question was whether a corporation had surrendered its franchises, and held that a resolution of the stockholders and not of the directors to sell the corporate property and discontinue the corporate business was a surrender by the corporation.

12. Defendant is a party to the Sugar Refineries Company deed.

13. At all events, defendant company is a party to the combination created and constituted by the Sugar Refineries Company deed.

14. The case then, is this:—The persons who procured the charter of the defendant company were endowed by the State with the corporate franchises and the faculties of a body corporate, in consideration of the benefit to the public from an increased production of refined sugar and the consequent greater supply and less price to the community; but so far from appearing in the market as an independent producer and a competitor in the supply of the commodity and a factor in the

reduction of its price, defendant company by the agency of its constituent members, is introduced into a combination of sugar refineries, of which the apparent and inevitable operation is to limit production, diminish supply, and enhance prices. Indisputably here is a violation of the trust and a breach of the condition upon which the corporate franchise was conceded to the defendant. Indisputably defendant's corporate faculties, instead of conducing to the benefit of the public, are perverted to its detriment, and consequently it has incurred a forfeiture of its franchises. If a monopoly combination among natural persons be contrary to law, much more is it so between corporations, because ultra vires, and because repugnant to the aim of corporate institution, "the true ground and origin of corporations being the increase and advancement of trade and merchandise."

15. The combination between the several corporations resulting from the transfer of their stock to the board, "subject to the purposes set forth in this deed," is, in effect, an amalgamation or consolidation of those corporations, or, at all events, a copartnership between them. (1) The stockholders in each are stockholders in all, indeed the stock of all is blended in a single and undistinguishable mass. (2) The profits of each are the profits of all, and the losses of each are the losses of all, and thus an absolute unity and identity of interest pervades the aggregate of the associated corporations. (3) The voting power in each is the voting power in all, and so absolute unity and identity of control dominates and directs the action of the aggregate of the associated corporations. (4) Here, then, is an organic union—a blending of separate individualities in an indivisible unit—in short, an amalgamation and consolidation of the distinct corporate existences, and the several and separate entity of each corporation is a mere fiction without practical force or efficacy. (5) A common name, "The Sugar Refineries Company," distinguishes the unity of combination into which the several corporations are consolidated. But "corporations cannot consolidate their funds or form a partnership unless authorised by express grant or necessary implication."

16. Defendant corporation has forfeited its charter by the transfer of its control to the Sugar Refineries Company. The Sugar Refineries Company is a body or board foreign to defendant corporation, not recognised by its charter, holding its stock in trust only, and not beneficially, and this body or board, by virtue of its right to vote defendant's stock, dominates it by an absolute and exclusive control. By statute the exclusive management of "the stock, property, and concerns" of defendant are vested in its board of trustees, and it was an act ultra vires for defendant to transfer its control and management to the Sugar Refineries Company. It has been said by the Court—"It is a part of the public policy of the State to secure a reasonable competition between its railroads, and it is contrary to that policy for one of said roads to attempt to secure a con-

trolling interest in another by the purchase of its stock, and any contract made with that view is illegal. Transfers of power of one corporation to another, without the authority of the Legislature, are against public policy."

In a case where a railroad company, a tributary of one of the Trunk lines in the State of New York, desired the assistance of the latter company in the completion of its road, and to that end engaged to cause to be deposited with the Trunk Railroad Company a majority of its capital stock so as to give the Trunk Railroad Company the right to vote on the stock so deposited, the Court held the agreement illegal, because it so transferred the control of the tributary railroad company to the Trunk Railroad Company.

17. By the transfer of defendant's stock to the Sugar Refineries Company "subject to the purposes of this deed," the law forbidding the suspension of the absolute ownership of personal property was violated. The statute provides that the "absolute ownership of personal property shall not be suspended for more than two lives." And this provision is to conserve an essential interest of public policy. "A perpetuity is a thing odious in the law, and destructive to the commonwealth—it would stop commerce and prevent the circulation of property." Much more in a republic is the free circulation of property the life blood of the commonwealth, and hence the statutory prohibition of mortmains and entails.

For the defendant—

1. The omission to file an annual report furnished no ground for vacating the charter of the company. The statute which requires the filing prescribes the consequences of omitting to do so. Forfeiture of the charter is not one.

2. The cessation of business by the company did not forfeit its charter. There was no intention to abandon business. The taking of the refinery for a public park prevented actual operations. The general corporation act itself by its provisions with respect to the consequences of ceasing business for a year establishes that a temporary cessation does not forfeit the charter.

3. The instrument called a trust deed did not furnish any ground for the proceeding. (*a.*) If it had been executed by the corporation, and constituted an agreement on its part, it did not violate the law. (*b.*) It was neither in terms nor in form executed by the corporation.

4. The stockholders of one corporation have a right to own stock in a rival corporation. This is none the less so that the interest of such stockholders is controlling; and if they can hold this stock in their own names they can appoint an agent, or trustee, or board to hold it for them, receive and distribute them according to the common interest.

5. So far from considerations of public policy preventing, the policy of the law encourages and provides for the formation of corporations for aggregating capital. A dozen persons engaged as individuals in competition with each other may unite their business into a partnership, or together form a corporation.

Although the effect may be to destroy competition between themselves, this does not violate the law. The law is none the more violated than in a half dozen corporations carrying on the same business, the stockholders are substantially the same.

Among the cases relied upon for the company were:—Barnes v. Brown, holding that the owners of a majority of the stock of a corporation may agree to act as a unit for the purpose of controlling its management.

March v. Yarrell, holding that an agreement to fix a minimum price is valid.

Diamond Match Company v. Roeber, deciding that one may legally purchase the trade or business of another for the very purpose of preventing competition.

Collins v. Locke and other cases sustaining combinations among workmen.

Shrewsbury, &c., Railroad Company v. London Railroad Company, holding that an agreement between two railroads to divide profits in certain proportions, with a view of preventing competition, is valid and in the public interest, it not being to the interest of the public that railroads shall ruin each other.

The Mogul Steamship Company v. McGregor, where it was held that arrangement between vessel owners to keep business to themselves, and prevent competition by crowding out a competitor was not invalid, as long as no illegal means were resorted to.

The counsel for the Company contend that the case of Leslie v. Lorillard, where two steamship companies using the same route enter into an agreement by which one was to discontinue running vessels for a monthly payment to be paid by the other, which agreement was sustained by the Court of Appeal in the State of New York, decides that if the agreement in question had been made by the North River Sugar Refining Company in its own name, it was no more outside of its corporate functions than was it outside of their corporate authority for the two steamship companies to make the agreement which the Court of Appeals sustained. The counsel also maintain that it is the fact, not the apprehension of public injury with which alone Courts can deal.

6. There was no evidence that any public interest had suffered. There is no such presumption. On the contrary, Mills, Adams, Smith, and political economists generally recognise that aggregation of capital leads to a minimum profit, the advantage to the manufacturer coming from the extent of the business, and that the effect, therefore, is to reduce not to aggravate prices.

Judge Barrett gave his decision annulling the Charter of the Company.

The following is a full summary of the Judge's opinion, which is given at some length, on account of the very important bearing this case will have in every action where the legality of a trust is attacked.

SUMMARY of opinion by Judge Barrett.

The questions to be decided are, whether certain acts of defendant were corporate acts, and if so, whether such acts are grounds of forfeiture within Sec. 1798, Code of Civil Proced ire The people's claim rests on the 2nd and 5th sub-divisions of said section, the defendant's liability to be dissolved being assumed (1) because of the abuse of its powers, and (2) because of its exercise of privileges not conferred upon it. The corporation is charged with participation in a combination between owners of nearly every sugar refinery in the United States, constituting, as alleged, a public nuisance, preventing competition, tending to control prices, and create a monopoly. This corporation defended, on the ground that the combination was the mere individual act of its stockholders not binding upon it, and amounted at most only to a large partnership.

The first question for consideration is whether the corporation as such entered into the combination; if the combination was the result of independent and individual acts of the stockholders, however illegal those acts may be, the corporation cannot be deprived of its franchises. To properly appreciate the question, the precise facts must be gleaned and analysed, which analysis will throw a clear light upon the project, and aid in solving the second question, viz., whether the combination was an innocent, or an unlawful one.

The combination rests upon the written agreement styled the "trust deed." At the time the deed was prepared refineries were variously organised, some as partnerships and others as corporations. Evidently the first step contemplated was harmony in the fundamental business basis of each refinery, for otherwise the combination could never have been successfully created. An aggregation of partnerships would not effect a safe and permanent cohesion for manifest reasons. Accordingly one of the first provisions in the deed is a condition for turning all partnerships into corporations and several were organised for the express purpose of creating capital stock for the foundation of the combination. All the parties agree that all shares of capital stock of all corporations, whether existing or to be formed, shall be transferred to a board of eleven trustees, to be held by them and their successors as joint tenants for the purposes set forth in the deed. These purposes are stated to be economy of administration, to reduce cost of refining, enable price to be kept as low as possible consistent with reasonable profit, and generally to promote the interests of the parties in all lawful and suitable ways.

The board is authorised to make bye-laws, appoint its officers and prescribe their powers and duties, making its powers coextensive with the objects of the agreement; it may further confer the executive working upon a president or vice-president. The deed then indicates the persons for whom the trust is created and the trustees' duties with regard to these persons, the cestuis que trustent being made stockholders of the aggregated

corporations. The stockholders only transfer the stock to the trustees, and are given receipts therefor in the shape of trust certificates in the ordinary form of stock certificates. The certificates are not to exceed 50,000,000 dol., divided into shares of 100 dol. each; these are to be divided among the refineries in proportion to their value, the refineries subdividing the blocks among the cestuis que trustent in proportion to the stock held by each prior to the transfer to the board. The trustees are not named, being styled the 'Sugar Refineries Company.'

Upon accepting the trust certificate the shareholder in the original corporation has no further relation with it, and is treated only as a shareholder in the trust board, each corporation is bound to deliver its profits to the board, cannot itself declare dividends, and without the consent of the board cannot use such profit for the betterment of its plant. This secures a general blending of all profits in one mass from which the board declares dividends, and these are proportionately distributed to each holder of a trust certificate. This amounts to a series of corporations doing business without real membership or qualified direction and without life in the concrete association; the shareholders by accepting membership in the unincorporated board cease to be cestuis que trustent of the various corporations, and have an exclusively independent trust relation with that board. Nor are the trustees as transferees of the stock members of such corporations, and they have no beneficial interest therein. They have no claim, either in their own right or as trustees for the shareholders to any dividends if dividends should be declarable on such stock, and the trustees cannot be required to account therefor. Whatever rights the holders of trust certificates have against the board for dividends declared by it from the aggregated fund can only be enforced by a totality of holders. The relation existing between the board and the directors of the corporations is a strict contract relation, and the latter are required to pay over all profits to the board; this effect would also follow even if the individuals of the board were shareholders of the corporation, for the shareholders, by transferring their stock and accepting trust certificates, abandon any relation to the corporation and look to the board.

The statute, allowing incorporations, requires each director to be a shareholder; the deed requires the transfer of every share to the board, who, however, have no power over it, and it is substantially dead in their hands; it only furnishes the board with formal voting power to control the various corporations. This difficulty was attempted to be provided for; the manner in which this is done does not meet the statutory requirements. Other difficulties were in the way of the execution of the power. For various reasons it was necessary to distribute the trust certificates in proportion to the real value of each property, which was difficult to ascertain. Provision was also made for gathering in every refinery and some have since joined. For this purpose 15 per cent. of the trust certificates were retained, and the trustees were authorised to increase their amount beyond

50,000,000 dol. Coupled with all is a provision for strict secrecy.

The legal question is, is this a combination of corporations or a combination of stockholders? The defendant insists that unless it is affirmatively proved that authority was given to the directors at a regular meeting to sign the trust deeds, the acts complained of are not corporate acts. The proof shows that the deed was actually signed by firms and by persons representing the corporations, and that everything provided by it has been done, including the declaring of a dividend by the board. This money necessarily came from the profits of the various corporations paid over to the board; at least this is the reasonable presumption. It must also be presumed that each director retained a share of stock to prevent being disqualified, the deed again becoming an executed contract thereby under which the directors as such acted.

Mortgages by corporate act were made by some of the corporations. The stockholders of this defendant, after determining to join the combination, revoked this action, whereupon they were offered 325,000 dol. cash for their stock and additional privileges by one of the board, which offer they accepted. The proofs showed that this money came from funds received for mortgages and other matters, which mortgages were made on the property of the various corporations as provided by the deed. This was a purchase of corporate property with corporate means for such a corporate combination. It appears that the defendant corporation was nearly officered, its business discontinued and never resumed, yet its shareholders have received a proportion of the dividend declared by the board on the trust certificates.

The evidence points irresistibly to the complete practical identity of shareholders and corporations, and it is impossible to sever the acts of either.

According to the act of 1848, the signers of the original certificate and their successors are a body politic by the name mentioned in it. The shareholders are their successors, and constitute the corporation. Justice Nelson has declared that though the proceedings be against the corporate body it is the act or omission of the individual corporators that is the subject of the judgment of the Court. The corporation apart from the members is merely a name. When the stockholders offend the law of the corporate being the corporation offends, and if it be punished, the persons are also punished by losing their franchises; the directors are only managing agents, and can only do such acts as are expressly or impliedly authorised by the charter. The directors could not bind the corporation by assenting to this deed for such action would be foreign to its general management. It could only be done by the corporators, and their act would be that of the artificial body composed in the concrete of themselves.

These being corporate acts, were they illegal? First, had the corporation power to enter into any partnership arrangement, however innocent in itself, as would for example, have been lawful

between individuals? Second, was this combination of the latter character, or was it inherently unlawful?

The answer to the first branch must be in the negative. The arrangement in question undoubtedly amounted to a partnership with all its attributes. It is well settled that corporations cannot do this. It has been said that general principles are against the power of corporations to do such acts, and their common law powers do not permit such consolidation or partnerships. The Acts of 1867 and 1884 authorising certain consolidations under conditions were doubtless passed in recognition of this principle. This combination, doubtless having a deeper purpose to effect, did not take advantage of these Acts. Having plainly abused their powers and exercised privileges not conferred, forfeiture and dissolution, as legal conclusions, justly follow. The cases cited generally hold the same doctrine laid down in Waterman, the general rule being that corporate franchises are granted upon trust not to abuse the privileges granted, and to so conduct its business as not to become hazardous to the safety of the State or community. Its franchises may be forfeited for acts ultra vires or breach of trust condition. Franchises are grants from the sovereignty of the people, usually upon the sole consideration of benefit to the people from the objects for which the corporation is created. If the objects are perverted the State may withdraw the privileges and resume its franchises.

This is sufficient to entitle the people to a verdict. But it is proper to consider the second branch of the question. Some modification of the rules in the old English cases is fully recognised by modern jurists. Freedom of contracting is the most important factor of commercial life, and should only be restrained when its exercise injuriously affects particular cases. Especially marked is this modification in the case of contracts in restraint of trade, little of the ancient doctrine being left. It has been held that a party might legally purchase the trade and business of another for the very purpose of preventing competition, and the validity of the contract if for a consideration would depend upon its reasonableness between the parties, and, although the territory included all the United States except two, such restraint was held to be only partial. Excessive competition may result in injury to the public and anti-competitive contracts, averting personal ruin, be perfectly reasonable; they are only unreasonable when publicly oppressive. But all cases, ancient and modern, agree that combinations tending to prevent general competition and to control prices are detrimental to the public and unlawful. Judge Daly sums up as the result of his examination of the cases that combinations are unlawful, the design and effect of which necessarily is to give the party combining a monopoly, or to regulate and control prices, or to secure pecuniary advantage in restraint of trade injurious to the community.

This case is conspicuously within the above rule, not being one where a few individuals in a limited locality have united for mutual protection, but one where great capitalists have united

their wealth to use the powers granted by the people to oppress the people. Combinations, pigmies to the present, have been repeatedly denounced by the courts and declared unlawful because they tend to breed monopolies. In another case it has been held that an agreement between proprietors of certain boats to charge certain rates of freight for a season, dividing the net profits, was a conspiracy to commit an act injurious to trade and void. A similar agreement was declared void as contravening public policy. In 68 Penn State 186 the combining miners were not the only ones in the region, much less in the country, but the Court held the combination not only illegal, but a criminal offence, the common law origin of the doctrine being dwelt upon. In Ohio State an agreement between salt producers in a limited locality, even though the price was not thereby materially advanced, was held void on account of its tendency to create a monopoly. In Illinois an agreement between grain producers in a single town was held void. In another case the combination was between tobacco sellers to destroy competition among themselves, and was declared unlawful and unenforceable. The reasons given in the various cases were fraud on the people, contravention of public policy, and breeding of monopolies.

Cases where such contracts have been enforced were fair contracts for mutual protection.

The Canadian case was an agreement between two dealers not to undersell each other. There was the case of an agreement between three trunk makers dividing England into so many districts, each taking one, and this was held to be only partial restraint of trade. In a recent case Lord Coleridge refused relief in equity on the ground that complete legal remedy might be had, commenting that if the facts stated in the Bill were true, vindictive damages could be recovered. The plaintiffs acting on this suggestion proceeded at law. Lord Coleridge pronounced the judgment, and held that as no malice or ill-will was proved, plaintiffs could not recover. The Missouri case upheld the agreement because it was only a partial restraint between some quarrymen of one city, but condemned agreements tending to create monopolies. In 110 N. Y. 519 such agreements were also condemned as nuisances when entered into by corporations with their powerful means.

These cases meet the main proposition sought to be supported. Several minor considerations are to be noticed, as for instance, the absence of specific authority to fix prices. But the great power given the board entirely covers this.

The trust board is substantially both stockholders and directors, and this union embraces every director and share of stock. By its power to close and open any and all refineries, and to enhance prices, it creates as absolute a monopoly as is possible in these days. This is denied by the argument for the defendant, which, though brilliant, is neither sound nor plausible. A monopoly in the technical sense cannot be created, but in the legal sense it can.

The monopoly dealt with by the law is not limited to the strict equivalent of royal grant, or the people's patents. Any combination tending to control and enhance prices at will is a legal monopoly, no matter whether the supply be limited by nature or is susceptible of indefinite production. The difficulty may be greater, but it is not impossible; it need only be temporarily successful, and the question in the end is, does it tend eventually to public injury.

Theoretically the trust board cannot prevent other capitalists from competing, but practically it can. Such a struggle would be unequal, and almost impossible. Vast harvests could be reaped before competition could be established, and if established this combination has the power and means to crush it out.

This appeal to the law is criticised as unnatural; unfortunately, the combination is the unnatural thing. Resorting to the artificiality allowed by the law to effect its ends, it cannot complain if it is taken to task for offending the law.

While further preventive and disciplinary legislation may be suitable to check and prevent exceptional wrongs, nevertheless, as said by a distinguished English Judge, there exists plain law and sense enough to deal with corporate abuses like the present, which, if allowed, would ultimately subvert the people's political rights.

Forfeiture and dissolution follow as legal results.

For these reasons plaintiff's motion is granted.

This judgment was appealed from to the Supreme Court, General Term, and the decision of Judge Barrett was affirmed. The opinion of the Court delivered by Judge Daniels was to the following effect: —

It is true that while stockholders in a general sense own a corporation's property they neither manage its business nor control its affairs, but elect a body for this purpose.

It appears from the minutes of the defendant that its stockholders agreed to enter the combination, subsequently revoked that agreement, and finally transferred its stock for a valuable consideration to the combination's board. Facts proved to have taken place afterwards show that such transfer was intended to make it a party to the combination; as only corporations could enter, it is evident that it was intended to make defendant a party in its corporate capacity. The persons taking this action had full authority to do so, including stockholders of the corporation and every member of the combination's board, all acting together, and the latter acting lawfully in both capacities, voting to transfer its stock to one of the combination's board in substantial compliance with the proposals contained in the deed. These persons not only had authority to, but in fact did, make the defendant a party to the combination as effectually as possible. There is no ground therefore to support the contention that the defendant did not become a party to the combination. In doing this they abandoned the control and management of the corporation, transferred it to the board of the combination, thus ceasing to exercise the authority conferred on it by law, and gave it to one unknown to the statute, thereby becoming liable to this action.

It is unnecessary to rest the decision solely upon what took place. It may be reasonably presumed from the agreement that the object was to gain many ulterior advantages, and this inference may be allowed from the case as tried. No question of fact was involved, and the respective parties applied for a direction for a verdict, the Court directing one for plaintiff, holding that an unlawful combination had been proved. The Court was at liberty to draw such inferences as the jury might have drawn, whatever presumptions may be adduced, were then, and are now, to be adopted for the support of the verdict and judgment.

The law does not require that instruments of this description shall in plain language affirm the intention to prevent competition before they can be declared illegal; if it did, it would supply a device for evading its wholesome restraint. The Court will place itself in the position of the parties to discover the objects actuating them. For this purpose all that may be implied may be considered as contained in the agreement. The application of these rules discloses the objects of this combination. All means to accomplish its ends were adopted; it is impossible to suppose the combination was created for an idle purpose. A jury would be fully justified in deciding its object to be the promotion of the interests of its members. Any other conclusion would violate all observations of practical life. This is a controlling feature in the case. Any combination whose object is the removal of competition or advancement of the prices of the necessaries of life is declared by the law to be a criminal enterprise. Sec. 168 of the Penal Code makes it a misdemeanour for two or more persons to conspire to commit any act injurious to the public health, morals, trade, or commerce, or perverting or obstructing justice or the due administration of the law. Combinations of this kind have been held to violate these provisions so far as they purpose acts injurious to trade or commerce.

Agreements of this kind have been declared unlawful if they prevented competition or increased prices. Quite similar cases in Pennsylvania and New York hold agreements of this kind to be void. The only difference between the first three cases and the present one is that in the former the parties plainly express their intention to regulate prices, while in this it is left to be inferred. The Court in the last case denounces such agreements as inimical to the public interest, and as contrary to public policy. In Ohio a like combination was denounced and held void. In Louisiana an agreement not to sell, for three months, cotton bagging without the consent of the majority was declared to be in restraint of trade, and to enhance the price of an article of prime necessity to cotton planters. In West Virginia it was held that the common law would not permit individuals to oblige themselves either to do or not to a particular thing when the thing to be done or omitted is clearly injurious to the public. And this was further maintained in Georgia. In all the cases cited combinations for the promotion of the members' interests, and the advancement of the prices of the necessaries of life were held illegal. The Court

in a case materially different from the facts presented here say that the principle it proceeded upon was especially applicable to wealthy companies having power and means, unless restrained, to monopolise business and engross the market, and the agreement whether express or implied, to control prices, &c., was condemned as unlawful.

A large class of cases cited in support of the appeal, limiting division or regulating certain business interests, do not seem applicable to this controversy, for none of them deal with combinations between parties engaged in the production and sale of necessary articles, and all are distinguishable from the present case. Combinations between producers to limit production are or may be unlawful, but they stand on a different footing. The sustaining of the agreement in R. R. Co. v. R. R. Co. (6 H. L. Cases 113) has been advanced as an argument for the defendant. That case, however, is not to be followed as an adjudication having controlling weight over this controversy. No court examining that case would hold that a combination like the present, involving the whole country, could he maintained. In fact the opposite principle was conceded in the R. R. case when it was before the Queen's Bench, where it was stated that if the parties proposed to prevent competition generally, there might be weight in the objection that it was injurious to the public as a monopoly.

The facts have developed that this combination was created for an unlawful object. The defendant abandoned its duties, placed its affairs in the hands of the combination's board, which legally should have no power over it, thereby rendering itself liable to the judgment recovered in this action. And the possibility that third persons will organise and endeavour to counteract the effect of this combination will not relieve it from this result. Even should this be done, the law would not excuse the defendant. Evidence was offered, tending to prove that defendant's property was intended to be taken by the authorities for a park, as an excuse for the discontinuance of its business. But other evidence shows that it was closed by this combination to reduce the manufacture of refined sugar some 300,000 lbs. a day. The fact of its participating in the dividend declared by the combination strengthens the view that it was closed by the combination for its own ends.

The defendant's usefulness as a manufacturing competitor has been voluntarily terminated, and to this extent its franchises have been subverted and for the time ended. It has become liable, therefore, to the judgment rendered; for it is a condition that a corporation shall use its franchises for the public benefit; when it voluntarily declines to do this, then under the statute, as well as the decisions of the courts, the franchise may be annulled at the suit of the Attorney-General. In one of the cases cited it was held that a railroad company cannot unless specially authorised turn over to another for a long period of time its roads and franchises, and that other cannot without like authority receive

such transfer, as such authority is not to be presumed from the usual grant of powers in a railroad charter.

Substantially for these reasons the verdict was recovered, the defendant having disabled itself to exercise its ordinary functions, placed itself in complete subordination to another organisation for an unlawful purpose detrimental to the public, thus becoming a party to a combination to create a monopoly and enhance prices. This was a subversion of the object for which it was created, authorising the Attorney-General to maintain and prosecute this action to annul its charter, and the judgment for the reasons mentioned and those stated by the trial Judge should be affirmed.

Judgment was affirmed.

The case has now been taken up to the Court of Appeals, in the State of New York, and was to have been heard on March 17. The hearing has, however, been postponed, and it will be, consequently, impossible to include the decision of that Court in this report.

Should the Court of Appeals affirm the decision of the Supreme Court, General Term, there can be no further appeal lodged, unless the question of the forfeiture of a charter by a corporation be held to be, by the Supreme Court of the United States, one upon which their decision should be given, on the ground that the liberty or property of a citizen may have been interfered with.

Other decisions in courts of law.

A decision was lately given by the Kentucky Court of Appeals, in a case where two steamboats were rivals in the freight and passenger trade on the Kentucky River. To end the rivalry, their owners entered into an agreement to pool the business. Each boat was to run as before independently of the other, but the net profits of both were to be shared by the two owners in a specified ratio.

The Court held that the arrangement was not a partnership, but a combine to prevent competition, and as such against public policy and unlawful. The Court said:—

"Rivalry is the life of trade. The thrift and welfare of the people depend upon it. Monopoly is opposed to it all along the line.

"That public policy that encourages fair dealing, honest thrift, and enterprise among all the citizens of the commonwealth, and is opposed to monopolies and combinations, because unfriendly to such fair dealings, thrift, and enterprise, declares utterly void all combinations whose object it is to destroy or impede free competition between the several lines of the business engaged in."

There was a case in Pennsylvania of a combination of coal companies—five of these companies doing business in that State and controlling a certain kind of coal, combined by means of an agreement that all sales should be made through a committee and one selling agent, and that prices should be fixed in the same way. After a time a quarrel arose between two of the companies concerning a division of the profits, or of the fines

imposed for sales, in excess of an allotment designed to limit production. One of these companies sued the other to recover its share of the sum so assessed.

The Supreme Court of Pennsylvania held that the combination was illegal and void, and for that reason refused to aid the plaintiff. The Court went further. The mines of the company were in Pennsylvania, but the combination was completed, and the purpose of it accomplished in the State of New York. The Court declared that the combination was not only illegal, but also that, under the laws of New York, it was a conspiracy, or as the Judge said, when referring to the case in the Sugar Trust decision, "a criminal offence."

In the State of California a decision was given in the case of the People v. The American Sugar Refinery Company, to the effect that that company had forfeited its charter by entering an unlawful combination, that is to say, the Sugar Trust, and surrendering to that organisation the management of its business.

Case before Supreme Court of the State of Michigan.

In a case which was appealed to the Supreme Court of the State of Michigan, the complainant was the owner of a match manufactory. The defendants were to assist him to enter his company in a corporation known as the Diamond Match Company, organised under the laws of the State of Connecticut, the avowed object of which was the purchase and control of every match manufactory in the United States, ample power having been granted it by the Legislature of Connecticut to accomplish its object.

Both complainant and defendants admitted the contract to be a valid one, the only dispute being as to its proper construction. The Bill was filed for the purpose of having it judicially construed.

Neither side relied on the fact that the object of the contract was to help to establish a vast monopoly and thus void on the ground of public policy, but the Court, in deciding the case, held that it was the duty of all courts when construing such contracts to take notice of that fact of their own motion. The Court held the contract void on the ground of public policy, asserting the maxim of equity that when parties are in pari delicto the Court will leave them to adjust their own differences.

The Judge in giving his decision said that it was impossible to read the contract in question, and not to discover that considerations of public policy were largely involved. The agreement was intended to assist in securing the object held in view by the Diamond Match Company, which object was openly avowed in its organisation, and shown by testimony given. The articles of the organisation, which was a manufacturing company, and its business that of making friction matches, provided for the aggregation of capital sufficient to buy up all business in that article carried on in the United States and Canada, and to prevent any other person engaging in that business, thereby preventing all competition. The object of the corporation was to make money by its power to raise prices and control manufacture and use.

The article, which would thus be under the control of a few individuals, was one of necessity—no monopoly could affect a

greater number of people than that of the Diamond Match Company. The contract in the suit was to aid that company in its purposes. The Court was asked to aid in enforcing that contract.

The Judge then went on to say that monopoly in trade was odious to the form of government of the United States. Any tendency to its establishment was contrary to the whole scope and spirit of the federal constitution, and could not exist under express provision in several of the State Constitutions. It was destructive of individual rights and of free competition, of individual enterprise and individual prosperity, and, therefore, public policy, as well as public sentiment, should be against it.

All combinations among persons or corporations for the purpose of raising or controlling the prices of merchandise or any of the necessaries of life were monopolies and intolerable, and ought to receive the condemnation of all courts.

The enterprise of the Diamond Match Company was an illegal one; the contract in question having been made to further the object of that illegal enterprise was void, upon the ground that it was against public policy.

The decree of the lower court was reversed and complainant's bill dismissed.

The other Judges concurred, one of them saying: "Such a vast combination as has been entered into under the above name, the Diamond Match Company, is a menace to the public; its object and direct tendency is to prevent free and fair competition, and control prices throughout the national domain. It is no answer to say that this monopoly has, in fact, reduced the price of friction matches. That policy may have been necessary to crush competition. The fact exists that it rests in the direction of this company at any time to raise the price to an exorbitant degree. Such combinations have frequently been condemned by courts, as unlawful and against public policy. . . . Courts will take notice of their own motion of illegal contracts which come before them for adjudication, and will leave the parties where they have placed themselves."

Summary of an article by Mr. T. W. Dwight on the Legality of Trusts.

The question of the legality of trusts had been very ably considered in a paper which has appeared in a well-known publication in this country.

The writer commences by saying that, in order to reach a correct result upon this question, it is necessary to resort to the common law of England, which has been adopted in all the States of the Union except Louisiana, as the basis of its law.

If, under the common law, the object of a trust is shown to be lawful, the grave question would then arise, whether legislation hostile to trusts would be constitutional. First comes the inquiry as to the lawfulness of an act or a contract in restraint of trade, both between the parties to it, and as a matter of public or criminal law.

On this point, the early common law is uncertain and obscure. A Statute of Edward VI. is here referred to, which was directed against forestallers, regrators, and engrossers, *i.e.*, persons who

were guilty of making any motion, by word, letter, message, or otherwise to any person or persons for the enhancing of the price, or dearer selling of any goods. The punishments for violation of this law were very severe. This law was repealed in the reign of George III. After its repeal a case in point was Rex v. Waddington, which thus became a common law case. The charge against Waddington was, that wickedly intending to enhance the price of hops he had, in the presence of hop planters and others, declared that the existing crop of hops was nearly exhausted, and that before the hops then growing could be brought to market, the existing crop would be exhausted, and that his intent was, by such reports, to induce persons then present, and dealers in hops, and having large quantities of them for sale, to abstain from selling them for a long time, and thereby greatly to enhance the price of hops.

The discussion turned on the question, whether hops were "victual"—this was decided by the Court in the affirmative—and it was further decided that the defendant's conduct was not fair and honest. There was clear intent on the part of the offender to enhance the price of hops; this intent was inferred from his acts.

By later decisions, the highest authorities settled that the offences of regrating and engrossing were at common law confined to the necessaries of life. Pettamberdas v. Thackoorseydass; 7 Moore, P.C. Cases, pp. 239, 263.

In the case of King v. Webb, where there was an indictment under the "Bubble Act," which Act declared the then existing practice of making subscriptions for commercial undertakings without an act of incorporation, and of making the certificates of subscribers transferable to be a common nuisance, the facts were that a subscription had been made in the city of Birmingham towards 20,000*l.*, on 20,000 shares, to buy corn for making bread, to be dealt in and distributed. The Court held that this was done with laudable motives, and for the purpose of a more regular supply to the town of the above necessaries, and could not be regarded as a nuisance. In order to be unlawful, the combination must be for some illegal object. Judgment for defendant.

The case of Pratt v. Hutchinson was another indictment under the "Bubble Act" (repealed in Geo. IV.). It bears somewhat directly on this subject. In this case 50 persons agreed to raise a certain number of shares by subscriptions for building houses for each other—the members to employ certain tradesmen only in the building—each member to be able to sell and transfer his shares, provided purchaser should be approved at a meeting of the Society, and should, on his admission, become a party to the original articles.

The Court held that the stock was in the true sense not transferable as corporate stock, since the purchaser was to become a party to the original articles, also, that the contract only to employ particular tradesmen in whom the parties had confidence

was not "in restraint of trade," and that it was not illegal for persons to combine not to employ any other than specified persons.

This case is deemed an important authority, to the effect that an act which is in itself laudable, is not to be regarded as a nuisance simply because it may be stamped as a nuisance by legislative fiat, and that a mere combination of persons to accomplish a lawful end by lawful means, is not in a legal sense a conspiracy, as some persons are now striving to maintain. This case, it is held, seems to meet an objection raised to "trusts," viz., that they are an illegal assumption of corporate power. The certificates issued by trustees of "trusts" to the stockholders of companies surrendering corporate shares closely resemble those discussed in the case of Pratt v. Hutchinson.

Lord Eldon held that companies with large capitals arising from numerous small contributions, and with transferable shares, were injurious to the public, and that, independent of the "Bubble Act," such organisations were illegal.

In the time of Lord Brougham, and later on, the decisions arrived at, when the question was squarely presented, were uniform, to the effect that a joint stock company, with transferable shares, though unincorporated, is not illegal at common law, unless it can be shown affirmatively to be of a dangerous and mischievous character, tending to the grievance of people. Lord Justice Lindley has summed up the whole subject in six propositions, to the effect that it is not illegal for any number of persons to enter into a contract of partnership; nor for them to agree that when one retires, a person who is not a member of the firm, but who is willing to become one, shall take his place; nor that the new comer may be selected by the one retiring; nor that the outgoing and the incoming partner may agree upon the terms of withdrawal and entrance, if these terms are not in themselves illegal; nor is it illegal for the members of the firm to assume a name, and to agree that the management of its affairs, both internal and external, shall be intrusted to a select few, and that these few shall have power to make rules, which others shall be bound to obey.

The writer attributes to some extent to the decision of Lord Eldon in the case of "the Fruit Club" (Cousins v. Smith 13, Vesey 542), in which case he maintained the existence of a conspiracy against the world at large, and consequently declared the transaction illegal, the hold of the erroneous ideas which now obtain concerning trade.

A celebrated case was that of Rex v. Busby, at the end of the last century. The defendant was found guilty of regrating for purchasing oats at 41*s.* a quarter and selling at 43*s.* He was heavily sentenced, but did not suffer, as the appellate court was equally divided in opinion as to whether regrating was a common law offence. By a statute of 1844 all laws were repealed against "badgering, engrossing, forestalling, and regrating"—such offences were utterly taken away and abolished, and no proceeding could be either at

common law, or by virtue of any statute. An important exception to this statute is to the effect that the repealing clauses shall not apply to the offence of knowingly or fraudulently spreading or conspiring to spread false rumours with intent to enhance or decry the price of any goods or merchandise, nor to the offence of preventing, or endeavouring to prevent, by force or threats any goods, wares or merchandise, being brought to any fair or market, but that every such offence may be enquired of, tried or punished, as if the repealing Act did not exist.

By common law "restraint of trade" is illegal; that is to say, a contract may be declared to be illegal under which a party thereto has either wholly or under some circumstances partially restrained himself from following a trade or business. Parties cannot be in law judges of their own best interests. It is held legal for a person to abandon a trade, but he cannot legally agree to do so with another, except within legally specified limits—partial restraint may be upheld by the courts, but not so general restraint.

As the law now stands in England and New York, the restraining agreement is valid if it furnishes a fair protection to one of the parties, and is reasonable. In the case of the Diamond Match Company v. Roeber, in the Court of Appeals in that State, the Court established the rule that a contract in restraint of trade within any or all of the States, &c., except two, was valid. This decision has given a great deal of elasticity to the phrase "partial restraint of trade." Persons constituting a trust become partners. In partnership agreements it is of common occurrence that there should be a stipulation that neither party shall carry on a trade except as a partner. Such a stipulation was sanctioned in Wallis v. Day 3, Meeson and Welsley 279.

The following conclusions are then stated as a basis for the further consideration of "trusts" as applicable to agreements between shareholders of corporations.

1. It is the sounder opinion that "forestalling, &c.," were not criminal offences at the common law, but were made in Edward VI. statutory crimes.

2. "Forestalling, &c.," could only be criminal at common law where criminal intent to injure trade was proved.

3. The statute of Edward VI. was based on false views of political economy, and interfered with trade. Since its repeal the common law against "forestalling, &c.," so far as it has existed, has fallen practically into disuse.

4. It is not a nuisance at common law for any number of persons to agree to form an association, without incorporation, and to issue certificates of shares representing property contributed, nor to make the certificates transferable either by written assignment or by delivery, nor to establish a committee having power to make rules for the government of the association.

5. The old rules of the common law declaring a contract made in general restraint of trade to be void as between the parties, are held to be based on erroneous views of political economy, and

to have practically disappeared in the great trade centres—*e.g.*, England and New York—and to be likely to be much modified elsewhere.

Leading courts hold that the utmost freedom should be left to producers and traders in making contracts of a reasonable nature (as between the parties), even if the object of the contract is to prevent competition between them.

The principal points in the trust deed of the "Sugar Refineries Company" (given in full elsewhere), which is taken as a representative instrument, are: (1) The objects. (2) The agreement that corporate shares shall be surrendered to a board of eleven persons having specified powers. (3) The plan that the several corporations shall maintain their separate organisations, and each carry on and conduct its own business. (4) That the stockholders surrendering their stock shall receive certificates signed by the board instead of retaining certificates of stock in their respective corporations. Uniformity of board certificates take the place of diversity of stock certificates. As a matter of form, the "board certificates" are issued to each corporation in a fixed proportion. It is made the duty of the corporation receiving the certificates to distribute them among the stockholders, making surrender in the proportion that each one's stock bears to the capital of the company. (5) The profits of each company are to be made over by it in the form of dividends to the board, who are to distribute them proportionately among the holders of the board certificates. In this way the stockholders of a company making no profit will receive a share of the profits of other companies, should any be made. (6) As a result of the whole proceeding, if fully carried out, the board becomes the holder of all the stock certificates of the companies embraced within the agreement, at the same time being charged with a trust in favour of the former stockholder, or his assignee, as set forth in the certificate which refers to the provisions of the trust deed.

There is not in the law of the State of New York any legislation concerning trusts in general which prevents trusts of this kind. The law of that State defining the number of express trusts is solely applicable to real estate. Trusts of corporate stock concern personal property, and are beyond the provisions of that legislation.

An outcry, which has lately been raised against one general fact running through trusts, is, that the producers of certain commodities are corporations, having power, by law, to have a subscribed capital in shares, and to issue transferable certificates of stock to the subscribers. The subscribers or stockholders of a number of such corporations enter into an agreement between themselves whereby, among other things, they transfer to a committee their certificates of corporate shares. This committee take out from each corporation new certificates of shares in their own names, and thereupon issue in return to the old stockholders certificates of their own and act of the corporation—these are known as "trust certificates."

This course of action taken to effect a transfer of stock under a sale would be an ordinary transaction, in that case no certificate would be issued by the new to the former owner. In the case of a transfer by a stockholder to the committee, or trustees, the stockholder does not intend to surrender his ownership, but wishes to confer a power of control over his property for his ultimate benefit. Nothing would induce stockholders to follow this course if they did not consider it to their benefit.

The law does not prevent stockholders from selecting the same trustee or designating the same purpose. This purpose, technically called "a declaration of trust," may or may not be in writing. There is a rule as to trusts in real estate, but none as to personal property. But the stockholders deem it more prudent to make a written agreement "declaring" the trust. A trust in itself is a legal contrivance of daily use; if there is any stamp of illegality given to it, it must be given to it by the purpose.

It should be clearly understood here that in their dealings with the committee or trustees of the stockholders, the corporations are not parties. The stockholders and the corporations must not be confounded. The corporation directors are under no legal control by the stockholders. Should the directors refuse to follow the wishes of the stockholders, the latter have no remedy by law; they can only replace the directors at the next election. A corporation is a distinct legal person: the interest of the stockholders in the property held by a corporation is solely of an equitable nature; the ownership of stock confers on the owner certain rights, to vote for directors, &c. Stockholders have "equitable" rights; the corporation has "legal" rights. May then some or all of the stockholders of several corporations unite and contribute their equitable rights to an association without corporate powers, with a view to sharing the profits or the losses of all the corporations, making by their votes such an arrangement potential and permanent? Would such an arrangement be a partnership, and if so, would it be a lawful partnership? Cases in this connection would appear to maintain the view that trustees in the trusts under consideration, having the right to deal with the interests of stockholders in various corporations so as to obtain and share profits, would be partners.

Hence it can be held that a trust, however large may be the interest under its control, is but a partnership, and its validity will depend, like that of ordinary partnerships, on the purpose to be accomplished.

Assuming that a partnership exists between the various producers in a trust, their power to make an agreement to prevent competition between themselves cannot be denied unless it is in some way unlawful in its own nature. It has been decided that (1.) such an agreement cannot be criminal at common law without a bad intent, such as to raise prices unduly. It is not wrong at common law to raise prices so as to pay the cost of production with a reasonable profit, nor under the same circumstances to regulate them and keep them steady. (2.) Such an agreement

cannot be treated as a criminal act under a statute declaring it to be criminal conspiracy for two or more persons to conspire to "commit an act injurious to trade or commerce," since it is not "injurious to trade or commerce" to keep the production of a commodity on an even line with its consumption. (3.) The trust agreement is not void as an alleged restraint upon trade, and is binding as between the parties to it.

With regard to the point that secrecy might be held as bearing upon the lawfulness of an agreement, the writer says that it is not easy to perceive why a contract between private individuals perfectly lawful and valid if made with publicity can be unlawful and illegal without that element. There can be no doubt but that members of trusts would be following a wiser policy, if, in any investigations instituted, they were to afford to legislative committees intrusted with such investigations every assistance to obtain the information desired, than by resisting efforts to arrive at the nature of their agreements. Such secrecy cannot fail to arouse suspicion.

If then it be conceded that trusts are lawful, would preventive legislation, either by State legislation or by Federal legislation, be valid, or would it be opposed to the constitutional law that a person is "not to be deprived of life, liberty, or property without due process of law." Good reasons for such restrictive or destructive legislation must be given based upon some ground affecting the public welfare. An act does not become a nuisance because it is declared to be so. In determining what is the proper exercise of the police power, an act of the Legislature is not final or conclusive, but is subject to the scrutiny of the courts. If a trust entered into by a number of producers is now lawful as a reasonable and proper element in production, it cannot properly be made unlawful by legislative acts of a stigmatising character. To produce freely as individuals; to associate and act in concert with others; to stimulate production when there is a scarcity of commodities; to regulate it and restrain it when there is a glut, these things, whether done by individuals or by combined action are prime elements in "liberty" of trade. They are also constitutional rights, and when used with due regard to the rights of others, are beyond the reach of hostile or repressive legislation. Though corporate charters should be arbitrarily repealed, in some form the liberty of association would survive to producers. The writer concludes by saying, "Forty years of legislative experience have taught the people of England that there is nothing to fear from combinations of producers when competition is absolutely free, and that no conspiracy against the world is possible. Let us therefore be calm. Trusts as a rule are not dangerous. They cannot overcome the law of demand and supply, nor the resistless power of unlimited competition. They are, however, a sign of the times. The right of association is the child of freedom of trade. It is too late to banish it. As mercantile concerns under freedom of trade have tended in our cities to be more and more vast and comprehensive, and absorb the smaller ones, it is reasonable to suppose

that the right of association will be made more and more available in manufacturing. In fact the two tendencies are in substance the same. If association is prevented by law, different manufactories may be melted into one. The only way out of the difficulty, if it be one, is to invade the right of property, limit production by law, cut down the employment of large capitals, and perhaps, in the end, hand over-production to the State.

"Are we ready for these things? All English speaking people, we of the United States and the English in England, have been engaged for 100 years both in overcoming natural obstacles to internal trade, and in abrogating absurdly restrictive laws. It is not to be credited that we shall commit the supreme folly of resorting to mischievous legislation fully tried and long since abandoned."

Danger of Trusts to Public Welfare.

It is held by the writers, &c., who consider trusts to be seriously injurious to the public good, as menacing industrial liberty and aiming at the suppression of competition, that the more dangerous trusts on these points are those which belong to the first class mentioned earlier in this report, viz., "all those which having and maintaining secret agreements with those corporations which transport the product from producer to consumer, are by this means enabled to exert an arbitrary control over the industries with which they deal." The able author of a treatise on this subject, entitled "Railway Secrecy and Trusts," selects as an example of a trust of this class the Standard Oil Trust. The Standard Oil Company, he says, from which this trust developed, obtained early in its existence an enormous power (from two agreements), by virtue of which it obtained secret rebates from the principal railroads, not only for the shipments of oil, which the trust itself made, but upon all shipments of petroleum made by any shipper. As evidence of the above assertion, the writer quotes testimony which was given in a case before the Supreme Court of Pennsylvania some years back. (It is but just to state here that the accuracy of this testimony was vigorously denied before the Senate Committee of the State of New York, at the investigation above described and before the Committee of the House of Representatives. It was submitted also that all the evidence given by the witness referred to should be accepted as evidence by the Committee, if any part of it was, as it could but be unfair to consider only such portions of it as other witnesses chose to refer to and to repeat.)

The enormous capital brought together by the trust, and the secret compact with railway managers who are thus brought into participation of the revenues of the trust, very soon helped to form an organisation for suppressing competition. What could help to this end more than the control of and participation in the transportation?

The writer maintains that this trust is an organisation which

exerts an immense control over both production and consumption by artificial means, and thus takes to itself an immense margin of profit. It is a delusion that the trust should be credited with the cheapening of oil. Oil has gradually and persistently cheapened during 20 years, but this he attributes entirely to the fact that the monopoly has not been absolute. Had it been so, and had competition been entirely annihilated, there would have been but little reduction in the price of the article. "The essential motive of aggrandisement which inheres in this trust would have effectually prevented it." The reduction in price is owing to the competition which still exists in the United States, and which has arisen in Russian oil fields. No monopoly, he maintains, would assist to promote cheapness, unless forced to do so. The evils of the Standard Oil Trust do not consist in the acquirement of its immense capital, nor in its name, nor in its formal structure as a trust. "When an enterprise, whether corporate or individual, is conducted under the law of industrial equality, where those who manage it cannot employ occult artifices to prevent their competitors from reaching the consumer and pursuing the same business upon equal industrial terms, then the form or the name of the organisation is of but little significance."

The harm to public welfare done by this trust is due to the fact that its secret relations with the transporter enables it systematically and continuously to block the way of its competitors in their efforts to reach the consumer. It is held that in spite of the efforts of the Interstate Commerce Commission, the Standard Oil Trust obstructs competitors in their efforts to get to the seabord to reach the consumers, and even that the ownership by the trust of several quasi public corporations, *e.g.*, pipe lines for transporting oil from the wells in the oil region to the seaboard is another element of illicit strength. The writer reverts continually to what he considers the real evil in this matter, which has for result to suppress competition—namely, secret bargains with railways—if such be prevented no accumulation of capital would be sufficient to prevent the growth of independent industries and their natural diffusion. Whenever the advantages of ownership are as secure to the smaller holder as to the larger, and industrial rights are preserved in equality, competition will invariably arise.

The writer then goes on to speak briefly of the second class of trusts. These, he maintains, are similar to those which he has placed in the first class in the disposition to obstruct or overcome normal competition; the essential difference being the different kind of power which each has for accomplishing this end, and this difference may be found in the fact that whilst the trusts of the first class control the transportation roads from producer to consumer through secret alliances with the railways, those of the second class do not. Without these alliances, trusts are unable to extract sufficient freight rebates and discriminations to buy the whole business of competitors who have been weakened through secret arrangements in the matter of transportation, as has been the case with trusts placed in the first class.

Trusts of the second class, which seek to control industries having a tariff protection, and which have been called into being by such tariff protection, have as their office to interfere with the stimulus and growth of the manufacture which the Government tariff is intended to encourage. For instance the Sugar Trust and the Salt Trust (since dissolved) deliberately aim to suppress the growth of the manufacture in which they deal by curtailing its production, solely in order to appropriate to themselves the largest part of the bounty which the Government has given presumably for the very opposite purpose, viz., to encourage the growth. The writer is not apprehensive that this kind of trust constitutes a lasting danger. Their effect, in the long run, will be to enlarge competition, and thus to defeat themselves. Under other names, these individual evils have existed before. He is opposed to specific legislation for the cure of such evils which disturb industry. The common law contains ample protection against them, and the courts have ample power to deal with them. Moreover, under the persistence of economic law, they tend to their own destruction. Specific legislation may itself interfere with economic law; such legislation wherever attempted has usually interfered with the freedom of legitimate barter, and has been ineffective to prevent the mischief aimed at. The practical lessons taught by violations of economic law through abnormal speculation will, in the end, bring about a more effectual cure than legislative interference.

An engrosser, regrater, or forestaller is a person described in law as one who purchases articles of food with the intention of selling them again at an enhanced price in some open market, or as one who contracts for farm products while these products are still in the field. These practices, in England, were treated as criminal, and a number of Statutes from Edward VI. to Queen Anne were passed for punishing those who engaged in them. When the laws which regulate trade came to be better understood, it was found that such restraint laid upon dealing by preventing free trade in the commodities, had a tendency to discourage all trade, and to raise rather than to lower prices. Instead of curing, they aggravated the evils aimed at. The penal statutes were repealed by Statute 7 and 8, Vic., c. 24.

If the public invests in the certificates of a trust, the success of which is dependent on market manipulation, such success being at the best only a temporary one, and if the public finds that disaster follows inevitably through the persistence of economic law, the public will discontinue to make such investments.

But the case, he says in conclusion, is altogether different where the mischief-doing organisation "is one upon which the State has conferred franchises, which enable those in control of it to usurp the very sovereignty of the State itself. Where the managers of quasi public corporations, such as railways, relying upon power received from the State, actuated by motives of private gain, and operating in secret, make alliances with one class of citizens, or with other corporations, to obstruct and defeat the

industrial right of other classes of citizens, something more than the usual remedial resorts become necessary. Trusts, such as those of the first class, based upon illicit bargains made with railway managers do not depend upon public confidence for support, nor are they injured when the confidence of the investor is withdrawn from them. Even when organised on so large a scale as is the Standard Oil Trust, they do not acquire their capital through public subscription, but derive both it and the effectiveness of their means, from the power of the transporter for secret abstraction, obstruction, and appropriation. There is, in these alliances, a continuous and insidious power for evil, which is in direct contrast with that ephemeral power possessed by the trusts of the second class.

The former do not contain in themselves the elements of their own destruction. Their power is lasting; it is exerted in secret; and it is derived from relations with those who hold franchises from the State, the illicit use of which enables them to trench upon individual rights. Here is an industrial condition not contemplated by the common law, and one for which the common law does not provide an adequate remedy; nor is it one which the courts can correct by dealing with specific and separate instances of the evil. If it is the duty of the State to protect its sovereignty from invasion, it must necessarily control all devices which tend to interfere with that sovereignty. Such control cannot possibly be accomplished except through organised State action. These facts may be taken as constituting the reason for the being of the Interstate Commerce Commission, and for railway legislation."

Defence of Trusts.

There are many persons who are quite unwilling to admit the grave charges which are brought against the system of trusts. Almost as much has been written not only in defence of them, but in their favour, as has been written against them. As an example of the writing on this side of the question the following summary of a very able article in defence of trusts, which has recently appeared, is given.

Corporations merged in trusts, formed in the manner as generally understood, cease to be competitive, and become co-operative. Such trusts cannot be objectionable if their purpose be a valid one. A business corporation is organised under State laws, not under Federal legislation, and can only carry on business in other States under interstate comity. It is an evident advantage that parties desirous of doing business in different States, and of making an association of their several businesses should be able to do so by a trust.

This was the original object and purpose of trusts, and must be, as long as corporations cannot be organised under Federal law, a reason for their existence.

It is easy to learn what are the evils laid to the charge of

trusts by studying proposed and enacted anti-trusts laws. Laws of this kind have been passed in some States, as yet none by Congress. The evils complained of may be classified under few heads.

The laws in Missouri and Texas on the subject are, *vide supra*:

A law in Kansas makes trusts and combinations criminal which tend to advance, reduce, or control the cost of articles or services.

In one Bill now pending in Congress any agreement between two or more persons "intended to prevent full and free competition" to enhance the cost of products to the consumer, is made criminal, the penalty for violation being a fine of 10,000 dol. and imprisonment. This Bill, if it became law, would prevent trusts, and also all other business associations. Such laws would prevent any co-operation in business.

Business cannot be carried on without the existence of what is thus complained of, and is called an evil. Such legislation would destroy freedom of contract without which business is impossible. Business men, partners, could not even meet without violating the law. As an example: two grocers in a village after having been competitors became partners. By agreement they fix prices, settle the kind of articles to be dealt in, agree to manufacture some products, restricting the manufacture. In some particular commodity they have rivals, and consequently agree together to sell that commodity at a very low price. They also agree to raise the price of other commodities. The above is of every day occurrence. Under the legislation above cited, both enacted and pending, these partners have violated every provision comprised in it. Possibly "also by combination of skill they have been able to reduce prices," which under a portion of that legislation is penal.

Every business man in the country has offended again and again against the whole law proposed and enacted, under which, through the destruction of freedom of contract, business will be individualised and relegated to the original and aboriginal plan.

The contention that agreements in restraint of trade, being contrary to common law, are illegal, is in some cases admitted. If all such agreements are to be made illegal the law will become a dead letter, or business will cease. Common law permits the purchase of a business with the view to prevent competition; co-operation, the object of which is to prevent competition between those co-operating, is likewise not forbidden. Association is allowed, although a certain result of it must be the ruin of those already in the business who cannot sell at as low a price as an association. Partnerships may be formed regulating prices and agreeing for the sale of this or that article. These acts of partnership may crowd out others in the same business, but no court within two years has declared that partnerships are in consequence contrary to public policy.

A trust is an association for business purposes, and laws to prevent trusts are laws against association or co-operation in business.

The real question in regard to trusts is whether association for

business is injurious to the public, and to what extent the right of association should be limited, if at all.

Less than a century ago laws existed against all combinations in business—reference to these laws will be found in the last part of the chapter entitled "Legality of Trusts"—these laws were based upon the theory that "the clubbing together of numbers of persons for the purpose of carrying on trade is calculated to put down individual industry, and thereby to increase prices." Combinations among workmen to obtain higher wages were criminal, &c. Ordinary business transactions were thus made criminal as tending to increase prices. But these laws did not interfere with freedom of contract to so great an extent as the anti-trust legislation referred to. Under them, however, trade was injured, working men starved, business, in the modern sense of the word, became unknown and impossible; and then, after a full and fair test, these laws were repealed, with the confession that it produced what it was intended to prevent.

Even before this repeal the laws were becoming a dead letter. Trade set to work to develop in England by means of association and co-operation. Combination became free, as competition was free, the truism, "where combination is impossible, business is impossible," replaced all the fallacies of exactly opposite purport.

The English Court of Appeal announcing the law of to-day says: that although the intent of combination is to check competition, the means it uses is competition; that parties combined to do lawful business are not unlawfully combined—capital may be used in combination for trade if it could be lawfully used, out of combination for that trade—that the repeal of the Acts relating to combinations and to prevent increase of prices was an admission of failure; that the Legislature has declared itself against all fetters on lawful combination and competition, and that such combination has the same right to advance its trade that an individual has.

In the United States the tide has set in the same direction of combination in trades and manufactures which was rare before the revolution. Business is now carried on in this country by combination from which the Legislatures have removed restrictions, and slowly but surely. The courts have pronounced against any restraint on freedom of contract; advocating the encouragement of the employment of large capital in trade, and setting forth that combination stimulates competition, enables the individual to engage in an industry he could not attempt alone; and that corporation is the stimulus to every branch of trade, large and small.

Adam Smith, John Stuart Mill, and Henry Carey, have all pronounced that combination of persons, skill and capital is indispensable in the public interest. Experience has taught that although combinations primarily tend to lessen competition they end by stimulating it. Never has combination been in such vigour as during the last 25 years, and never has competition been so strong, and never have prices been so low. This decrease can

also be attributed to improved methods of manufacture, machinery and lower prices of transportation; but all these would have never transpired without aggregated capital and combination of railroads.

The individual, as a solitary individual, has been, to some extent, crushed out; but association affords him a far larger sphere for his efforts.

Those engaged in the industry of a corporation can invest their savings in the stocks of the same, and thus become interested in the industry. In this direction, the writer says, lies the ultimate solution of the problem of profit-sharing between the employer and the employed, recommending legislation to secure such investments from all but legitimate risks. Wages have never been so high as at the present time; excessive immigration of unskilled labourers may have caused some exceptions by excessive competition. It has been calculated that since 1865 the wages of skilled workmen have increased 103 per cent.; of average mechanics, 90 per cent.; of factory hands, 78 per cent.; and of common labourers, 60 per cent.

Should the right of association be limited, and if so, to what extent? Legislators and courts have replied, when it tends to prevent competition; but the line drawn at that point must surely be an imaginary one, as every partnership or combination tends to that result. A small combination may monopolise for a time a small business; if the business extends over the world, an immense combination can only affect competition but slightly. When combination renders competition impossible it may be condemned, but not till then.

The magnitude of business associations cannot be limited until the magnitude of business is limited; as business increases the size of combinations will increase. Nothing can limit association. When the existence of combinations with evil purposes in view has been shown, the law must find a remedy for the specific evil; they cannot be eradicated by destroying or limiting the right of association. An association, or trust, with legitimate purpose and effect increases production, opens markets, increases consumption, lessens expenses of manufacture and sale, adopts the latest improvements in business, and thus gives to the public the best product at the smallest remunerative price. A trust formed with other ideas is doomed to failure.

This mode of business is not to be used as a purpose for speculation. Trust certificates should not be so employed; if this be found a desideratum, trusts already formed will find out that they are mistaken and have to reorganise as corporations.

It does not appear that more than twelve actual trusts have ever existed, and some have dissolved and reorganised as corporations. Numerous trade arrangements and agreements exist which are called trusts—such have always existed. The price of everything in the market is regulated by dealers. Competition is a kind of warfare, and no law can compel men to continue at war when it is for their interests to agree. No law can prevent village grocers from agreeing on the price they will sell sugar, or

farmers their wheat. Long before trusts were heard of the price of every article of importance in trade was fixed by dealers' associations, or some mode of trade arrangement. With this system of business prices have gone down, the reason of which is plain. People who invest capital in a business want to make that business permanently successful; and it is, to that end, their interest to keep prices at the lowest profitable point so as to encourage consumption and keep out competition. Every advance of prices reduces consumption and encourages competition. Potential competition is as effective in preventing high prices as actual competition.

The influence of trusts on business is the same as that of partnerships and corporations. Since the formation of the Petroleum Trust (Standard Oil Trust) oil has decreased in price, the product is better and safer, the output has increased, the exports have increased in spite of foreign competition, which would have ruined the foreign trade in that article had it not been for the power of aggregated capital. The number of workmen receiving average wages has increased, with a chance for each individual workman to rise. The better class of workmen are employed, and strikes are unknown.

As a proof that competition is not destroyed, the amount of oil refined at the present time by competitors of the trust is larger than the total quantity refined at the time the trust was formed.

It is stated that other trusts have shut down manufactories and raised prices. That may have been right or wrong. If the price of the product was so low that the manufactory was working at a loss, it was right to curtail production and stop selling at a loss. Competition may bring about ruin to the weakest and starvation to workmen, which could be avoided by compromises, associations, &c. If such compromises, associations, &c., are prevented by law, business will suffer seriously. If trusts put unjust prices on products, it will mean loss or ruin to themselves.

It may be held that the admission that combinations may unduly restrict, for a time, production, and extort unjust prices, is yielding the whole question. In reply, the writer says that no person will assert that those combinations are beneficial which are formed for none of the proper purposes of lawful business, but only for the improper purposes of unduly reducing production and extorting undue prices from the public. Such combinations, in the form of a trust or any other, are contrary to law. Nothing could be said if the Legislatures of the country thought it necessary to re-enact the common law on this subject, or to prescribe additional penalties. The evil is specific and defined, and can be easily reached by prohibitory legislation. But wonder is excited when Congress and State Legislatures propose to meet this evil by general prohibition of business association and arrangements in relation to prices and production. The Interstate Commerce Law prohibited unjust charges for transportation, but no proposition was made to make criminal all charges for transportation because

an unjust charge might be made. Such action, says the writer in conclusion, would however have been fully as wise as to prohibit all combinations because some may be for an improper purpose, and to make criminal all agreements and arrangements which influence production and prices because agreements and arrangements may be made to extort undue prices.

"Choose the good and reject the evil," is wise counsel; if it were kept in mind, less demand would be heard for laws which destroy freedom of contract and the right of business association, the two most necessary and effective instruments of modern industry.

General Remarks.

From the foregoing report it will be learnt that a trust is a combination of corporations engaged in a certain industry, united together by agreement. The working of this combination is directed by a board, or trustees. In many cases the result is held to have been more or less a control of the industry, due to the accumulation of capital, manipulated with intelligence and talent. As has repeatedly been set forth above, the fear is generally increasing that this control of respective industries will in time become entire, that the success of some of the trusts will encourage the formation of others, and, in the end, that complete monopolies will be established over every necessary of life. Whether these apprehensions are well founded or not is a question which it has been as yet impossible to decide.

The gravest evils laid to the charge of trusts are (1) the suppression of competition; (2) the exclusive power of regulating the prices of production and manufacture, thereby bringing the public at each end of the industry under their complete control. It is held that these trusts are the most dangerous to the public good by being the most guilty of the above charges which owe their success in accumulating capital, and in beating down competition not possessed of power enough to withstand that accumulated capital, to persistent discrimination of the railroads in their favour.

The greater portion of the evidence taken before the committee of the house of representatives at the investigation into the Standard Oil Trust was collected with the view of establishing the existence of such discriminations in its favour, and the fact that the prosperity of the trust was mainly, if not entirely, due to them.

It was shown that the South Improvement Company was organised for the purpose of controlling the freight business of the oil regions. This company made contracts with some of the principal railroads then engaged in carrying oil, to give it rebates on all the oil transported on the railroads, and to guarantee it against loss or injury by competition. In return, the railways were insured a fair division of the freight traffic of the oil trade. But the South Improvement Company never did any business, and its charter was repealed very shortly after its organisation. The Standard Oil Trust has, however, been held to have received rebates under later agreements; but, in reply, the trust

offers evidence to show that its competitors have received from the same railroads rebates larger even than those given to the trust, and that these rebates have continued to be paid to its competitors even after the agreement between the trust and the railways had been abandoned. Almost every accusation of fact brought against the several trusts has been denied, evidence being given or tendered to maintain that denial. As to the effect of trusts upon prices no decided opinion can be formed. In those cases where the price of the article has risen since the formation of the trust trading therein (such as sugar), the rise of the price has been attributed to the trust, there being no other perceptible cause—on the other hand when the price has fallen (as in the case of oil), it has been held to be erroneous to attribute this diminution of price to the working of the trust, but rather to the fact that competition in that article has not been entirely suppressed; that, however, in time it will be, and that then the price can be enhanced to any limit the trust may choose.

Although there is an enormous difference of opinion in the country as to the benefits or injuries done to the public by this kind of combination, there has not appeared as yet to be any in the minds of the courts before whom cases bearing directly or indirectly on the question have been brought. No action, as yet, has been brought, either under common law or statutory law, directly against a trust. But, as will be seen from the accounts of those which have been given above, the courts have based their judgments in those actions on the ground that trusts are against public policy, that they are iniquitous, and, therefore, the courts have refused any relief to parties seeking it when those parties shall have contributed towards the organisation of a combination whose object is monopoly. The decision of the Supreme Court of Michigan given above is a marked example of this feeling. The Judges holding that a contract which had in view to assist the organisation of a monopoly was illegal, and that consequently the court would not adjudicate on the rights of the parties thereto, but would leave them where they had placed themselves. The most important action of this nature is that given above. "The People of the State of New York *v.* the North River Sugar Refinery Company," which was taken from court to court, the decision in each being that the defendant corporation, by joining the Sugar Trust, had done that which made it liable to the forfeiture of its charter.

The case was to have been heard in the month of March before the Court of Appeals at Albany, but the hearing has been postponed for several weeks.*

Appeal to the Supreme Court of the United States may be opened after the decision of the Court of Appeals, but it is not certain whether the question is one which will admit of its being brought there.

All the actions referred to have been tried under common law. Under the statutory laws already enacted, no actions have, I believe, as yet been brought; but if any action be brought

* See, however, p. 92.—Ed.

under a statutory law for the suppression of trusts, there can be but little doubt that the question will be ultimately carried to the Supreme Court of the United States to decide whether such law be constitutional or not. No Federal legislation has been enacted in the matter, the only Bill which has as yet been brought up for discussion before Congress is that introduced by Senator Sherman,* but no action was taken. One very exhaustive speech was made, with a view to prove the Bill worthless to prevent the evils it was directed against, and further, that it was unconstitutional.

It is impossible to predict what will be the fate of the mass of pending legislation on this subject, or, if any part of it becomes law, what will be its effect when put into force.

While speaking of legislation of this nature, I cannot refrain from referring to the chapter in Mr. James Bryce's admirable work, "The American Commonwealth," entitled "Laissez faire" (Volume II., chapter xcii.). This chapter treats of the doctrine so often put forward, more frequently formerly than at present, in the United States, that the less of Government the better; which doctrine, he says, has two foundations—the sentimental ground being the desire of the individual to be let alone, to do what he pleases, indulge his impulses, follow out his projects, and the rational ground which is the principle that interference by Government more often does more harm than good. But Mr. Bryce holds that this desire not to be interfered with, reliance being placed on natural progress, is now modifying itself.

* Since writing the above, Senator Sherman has reported a substitute for his Bill to meet and overcome all objections to the measure on the ground of unconstitutionality.

The substitute provides that all arrangements, contracts, agreements, trusts, or combinations between two or more citizens or corporations, or both, of different States, or between two or more citizens or corporations, or both of the United States and foreign States, or citizens or corporations thereof, made with a view, or which tend to prevent full and free competition in the importation, transportation, or sale of articles imported into the United States, or with a view, or which tend to prevent full and free competition in articles of growth, production, or manufacture of any State or territory of the United States with similar articles of the growth, production, or manufacture of any other State or territory, or in the transportation or sale of like articles, the production of any State or territory of the United States, into or within any other State or territory of the United States; and all arrangements, trusts, or combinations between such citizens or corporations, made with a view or which tend to advance the cost to the consumer of any such articles, are hereby declared to be against public policy, unlawful and void, and the circuit court of the United States shall have original jurisdiction of all suits of a civil nature at common law or in equity arising under this section, and to issue all remedial process, orders or writs proper and necessary to enforce its provisions. And the Attorney General and the several district attorneys are hereby directed, in the name of the United States, to commence and prosecute all cases to final udgment and execution.

Section 2. That any person or corporation injured or damnified by such arrangement, contract, agreement, trust, or combination described in the first section of this Act, may sue for and recover in any court of the United States of competent jurisdiction, without respect to the amount involved, of any person or corporation a party to a combination described in the first section of this Act twice the amount of damages sustained and the costs of the suit, together with a reasonable attorney's fee.

After much debate, and many amendments, this Bill has been referred to the Senate Judiciary Committee, with instructions to report in 20 days.

Governmental intervention is solicited now, where it would not even have been tolerated before. He says, "there are benefits which the laws of demand and supply do not procure. Unlimited competition seems to press too hardly on the weak. The power of groups of men organised by incorporation as joint stock companies, or of small knots of rich men acting in combination, has developed with unexpected strength in unexpected ways, overshadowing individuals and even communities, and showing that the very freedom of association which men sought to secure by law when they were threatened by the violence of potentates may, under the shelter of the law, ripen into a new form of tyranny." The doctrine of "Laissez faire," Mr. Bryce holds, is existing in the United States but in theory, and if that be so, it is probable that before long legislation for remedying, if not for preventing, the evils laid to the charge of trusts will be enacted both in Congress and in State legislatures.

In speaking of the question of trusts to me a legislator of high position, greatly interested in the subject, lately remarked to me, "at this moment the question is chaos."

I have endeavoured to point out in the above report that those who take up the other side of the question, and are ready to defend the system, are numerous, and persons of great ability. Their arguments would appear to be sometimes unanswerable. They readily admit that any combination formed with an illegal purpose in view is illegal, and should be treated as such. The common law, they maintain, is sufficient for that purpose; but they will not admit that every combination must be formed with such illegal purpose in view. Why then attempt special legislation which would affect all combinations, no matter how proper the objects of most might be.

On the merits of a question of such importance and difficulty as that which forms the subject of this report I should be unwilling, and I feel myself quite unqualified, to express any opinion; all the more so that it would appear to be a question which will occupy the serious attention of the law-makers of the United States for some time before they will be able to establish the existence of the evils they apprehend, and when the existence of those evils shall have been established to find proper and just remedies for them. It is still possible that those apprehensions may prove themselves to be groundless.

P.S.—Since writing the above Senator Sherman's Substitute Bill passed the Senate on April 8 last, after having been reported back by the Committee on the Judiciary. As passed, it runs as follows:—

AN ACT to Protect Trade and Commerce against Unlawful Restraints and Monopolies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

Section 1. Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy shall be deemed guilty of a misdemeanour, and, on conviction thereof, shall be punished by a fine not exceeding 5,000 dol., or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

Section 2. Every person who shall monopolise, or attempt to monopolise, or combine or conspire with any other person or persons to monopolise any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanour, and, on conviction thereof, shall be punished by fine not exceeding 5,000 dol., or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

Section 3. Every contract, combination in form of trust or otherwise, or conspiracy in restraint of trade or commerce in any territory of the United States, or of the district of Columbia, or in restraint of trade of commerce between any such territory and another, or between any such territory or territories, and any State or States, or the district of Columbia, or with foreign nations, or between the district of Columbia, and any State or States, or foreign nations, is hereby declared illegal. Every person who shall make any such contract, or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanour, and, on conviction thereof, shall be punished by fine not exceeding 5,000 dol., or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

Section 4. The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this Act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petition, setting forth the case, and praying that such violation shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition, and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

Section 5. Whenever it shall appear to the court, before which any proceeding under Section 4 of this Act may be pending, that the ends of justice require that other parties should be brought before the court, the court may cause them to be summoned, whether they reside in the district in which the court is held or not; and subpœnas to that end may be served in any district by the marshal thereof.

Section 6. Any property owned under any contract or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned in Section 1 of this Act, and being in the course of transportation from one State to another, or to a foreign country, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

Section 7. Any person who shall be injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful by this Act, may sue therefor in any circuit court of the United States in the district in which the defendant resides or is found, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the costs of suit, including a reasonable attorney's fee.

Section 8. That the word "person," or "persons," wherever used in this Act, shall be deemed to include corporations and associations existing under or authorised by the laws of either the United States, the laws of any of the territories, the laws of any State, or the laws of any foreign country.

Passed the Senate April 8, 1890.

It was then sent down to the House of Representatives, where it was again amended and referred to a committee of conference. It is held to be certain that the Bill will be eventually agreed upon, with an amendment which will not essentially modify it as it passed the Senate.

This will be the first federal legislative enactment of an anti-trust character which has become law.

People of the State of New York against the New River Sugar Refining Company.

This case, an account of which is given in the body of this report, was argued in the Court of Appeals of the State of New York last month. The decision has not yet been rendered, but it is expected that it will be final, it being held that an appeal to the Supreme Court of the United States would not lie.

The argument of this case before the Court of Appeals (the appeal being, as stated above, from the decision of the Supreme Court of the State of New York, which had affirmed the judgment of the lower court, by which the charter of the corporation had been annulled) appears to have been practically the same on both sides as at the hearing in the other courts. A mass of cases were quoted on either sides, to many of which reference has already been made in this report; the respondents maintaining that it was plainly *ultra vires*, and an abuse of the powers of the corporations to contract the relations it did contract to the Sugar Trust to such a body as the Sugar Trust.

The appellants cite case after case, many of which have been decided in English courts, to prove that combination, when formed with no illegal purpose, cannot be held to be illegal. Most of the writers referred to above in this report were quoted at length to prove this contention, and an extract of a speech made by Mr. Gladstone, in August, 1888, is cited, which the appellants hold

attributes the agricultural depression in England to want of combination by farmers. The passage on which great reliance was made is the following:—

"My opinion is this—that the reason why the undeniable fact occurs that the foreign producer, in many instances, gets his produce to market cheaper relatively, is this, that the foreign produce is collected and brought in such large quantities, and is sent in great masses to the market. That is the secret of cheap carriage. Unfortunately we have not got those combinations in England, and I believe the farmers could do themselves a great deal of good, and I believe the garden cultivators would do themselves a great deal of good, by the process that is described as laying your heads together."

It is not known whether judgment will be given in this case during the present month or not before October next.

Following the example of the people of the State of New York, the people of the State of Ohio are bringing an action for the violation of its charter by the Standard Oil Company of Ohio; the charge being that those to whom the people gave a co-operate franchise have broken the conditions under which it had been obtained.

The Attorney-General of the State asserts in his petition that the officers and trustees of the Trust control the corporation in question that, in the exercise of the powers conferred by said Trust agreement, said trustees are enabled to, and do, control the action of said defendants and the other corporations, partnerships, and individuals parties thereto in the conduct of their business, and control and regulate the production and price of petroleum products in the State of Ohio and in the United States; that under said Trust agreements said defendant has surrendered its corporate powers, business, and property to the trustees named in said agreement, to be exercised, conducted and controlled by said trustees, and not by directors chosen by defendant or any stockholders of defendant; that defendant chooses no directors or officers, has no capital stock, and issues no certificates of stock; and that said Trust agreement creates and constitutes a combination and monopoly which are injurious to trade and commerce, and to which combination and monopoly defendant is a party.

The company will be prosecuted under the statutes for having surrendered its corporate powers to the association known as the Standard Oil Trust, and for having abused the privilege granted by using them to the injury of the people

If it shall be shown that the Standard Oil Company of Ohio has violated the statute, which requires a corporation to retain and exercise its powers, and that in violating them it has entered an illegal combination, and has thus permitted its powers to be used to the public injury, its charter will be revoked.

There can be no doubt that, if the decision of the Supreme Courts in the Sugar Trust case be affirmed by the Court of Appeals in the State of New York, several actions of a similar nature will be brought against corporations belonging to one of

the Trusts now existing; but it is not the general belief that, even if all such actions be successful, the result will be any other than to bring about a change of name of form by the Trusts, the dissolution of which is the real object of such actions.

Until legislation has been enacted either by Congress or by State legislature, founded on the fact that Trusts are illegal in themselves, and moreover injurious to the public, and until such legislation shall have been pronounced to be constitutional by the Federal Supreme Courts, Trusts will be carried on, more or less, in the same way as at present, having perhaps changed their name, existing as a corporation under a charter granted to them by some State.

Appendix.

Consul-General Booker to Sir J. Pauncefote.

Sir, *New York, November 22,* 1890.

In response to the request contained in your circular of October 25, I have the honour to make the following Report on Trusts and Monopolies, as far as regards recent movements in connection with them.

The Committee on General Laws of the State Senate resumed in December last their incomplete work of investigation on Trusts and Monopolies, which had been discontinued on making their Report on March 6, 1888, and made a Report of their Proceedings (now out of print, and a copy cannot be procured); but without any recommendation. Several Bills were introduced in the State Senate in regard to Trusts at their last session; but none of them have become law.

In January last an action was brought on behalf of the people of this State in the Supreme Court for the forfeiture of the corporate franchise, and for the dissolution of the North River Sugar Refining Company for having joined the "Sugar Trust."

The case was tried by Judge Barrett, and a synopsis of the facts and decision is given as follows :—

People v. North River Sugar Refining Company (Circuit Court, New York County, January 9, 1889).

Corporations, Combinations, Corporate Acts, "Trusts."— Under a trust deed all the shareholders of certain corporations engaged in sugar refining surrendered all their stock to 11 persons as trustees, and received therefore "trust certificates" issued by the 11 to the several corporations in proportion to the value of their respective plants. Certain partnerships engaged in the same business took corporate form for the sole purpose of becoming members of the trust. The 11 trustees were to receive the profits from every plant, and divide them, in

the shape of dividends on the trust certificates, among the several holders. A dividend of 2½ per cent. was in fact declared, and paid from profits paid in by the several corporations. Although each corporation retained its board of directors, these had no power, and held office at the pleasure of the trustees. For the benefit of the combination, and under authority of the deed, mortgages were placed upon the property of some of the corporations. Held, that this was corporate combination as distinguished from an agreement among shareholders.

2. *Same — Unlawful Combinations, Forfeitures.*—A corporation entering into such combination, in effect a consolidation or partnership of corporations, has abused its powers and exercised privileges not conferred upon it by law, and the State is entitled to a forfeiture of its franchises.

3. *Same—Restraint of Trade Monopolies.*—The purposes of the combination, as stated in the deed, were, inter alia, "(3) to furnish protection against unlawful combinations of labour; (4) to protect against inducements to lower the standard of refined sugar; . . . (5) generally, to promote the interests of the parties hereto in all lawful and suitable ways." Provision was made for bringing in every other existing refinery, and four others were, in fact, afterwards brought in. While the entire operations of all the corporations were practically controlled by the 11 trustees, they themselves had no corporate existence.

Held, that the combination was unlawful, as being in restraint of trade, and tending to create a dangerous monopoly; and this, notwithstanding sugar may be produced in indefinite quantities.

Action in the nature of quo warranto brought by the people of the State of New York for the forfeiture of the defendants' corporate franchises, and for its dissolution.

Attorney-General Charles F. Tabor and Roger A. Pryor for the people. Charles P. Daly, James C. Carter, and John E. Parsons, for the Defendant.—Barrett, J.

The case was appealed to the General Term, Supreme Court, and the decision has just been rendered. Judge Daniels, in rendering the decision of the Supreme Court, General Term, confirming the order of Judge Barrett, annulling the charter of the North River Sugar Refining Company, stated, in substance, that the company by transferring its business and property to the trust, and thus giving the management of the affairs to a body of men entirely different from that designated by the statute, had offended against the law under which it had been created. It was a leading object of the trust to combine together the different corporations and individuals employed in the business, not only in and around the city of New York, but throughout the country, and to secure that control by a substantial organisation for an indefinite period of time for the pecuniary benefit of the association, which was against the provisions of the statute, making it a misdemeanour for two or more persons to commit any act injurious to trade or commerce.

Judge Daniels cited several cases in which it was held that

combinations with a kind of sugar trust violated the provisions of this statute. These cases, he said, are direct authorities against the legality of the association, by which the defendant was mad e a party. The only difference between them and the one under consideration was that in them the agreement expressed what in this case was left to be plainly inferred, namely, an intention to regulate prices, and in that manner promote the interests of the associates. In all these cases cited, a reservation of the power to control the prices of necessary products, whether by expressed agreement or fair implication, had been condemned as unlawful.

Judge Daniels finds that the cases cited and relied on by the lawyers of the company in support of their appeal are not applicable to the case under consideration, as they are entirely distinguishable from it in principle, and in continuation says, "This controversy is within the authority and principles of the other adjudications which have been mentioned, so distinctly and entirely as to render it only necessary to depend upon and follow them for its disposition. As the facts have been developed, the association or combination into which the defendant in this manner entered was created for an unlawful object. And it has, by making itself a party to that association, renounced and abandoned its own duties for the transaction and management of its business, and placed its interests and affairs under the dictation and control of a board, which, legally, should have no power over it, and rendered itself liable to the judgment which has been covered in this action, and the possibility that other business enterprises in the same pursuit may be set on foot to counteract the effect of this combination will not relieve the defendant from this result. That in view of the large capital and extended combination already secured is a very remote probability. For other manufacturers brought in competition with this combination could easily be driven from the field of trade by it, and its paramount control still maintained and perpetuated. And the probability that its power would be used in this manner is so decidedly fortified by experience, that capital would be reluctantly placed at the risk of loss by other persons with so formidable a competitor to be encountered. But if it should be otherwise, the law will not tolerate or excuse the combination; for the interposition of third persons, in no way connected with it, to counteract its effects is no excuse or justification for the wrong this combination has in this manner committed. A wrong-doer is never excused for the consequences of his wrong for the reason that other parties, not acting under his direction, or authority, may interpose, and, in a measure, defeat the consequences of the wrong.

"Evidence was given upon the trial tending to prove that the property previously used by the defendant in its business was intended to be taken as a public park by the authorities of the city, and thereby to excuse the cessation of business, and that proceedings for that object had been instituted. But while these may be the facts, it is still to be inferred from the other evidence upon the trial that its business was not discontinued by reason of

the expectation that the property would be appropriated by the city for this object, but that it was done under the power of this combination to discontinue its productive use, and in that manner diminish the manufacture of refined sugar, which it had previously carried on, to the extent of from 275,000 to 300,000 lbs. of sugar a day, and this view is confirmed by the fact that it was allowed to participate in the 2½ per cent. dividend declared for the five months preceding the April mentioned in his evidence by Mr. Searles. The company has been subordinated, and its own individual usefulness as a manufacturing competition terminated by the power of this combination. And so it was voluntarily placed there. To this extent its own franchises have been subverted, and, for the time being, ended; and it became liable to the judgment which has been recovered against it in the action, for it is a condition, in which a corporation is allowed to be created and maintained, that it shall exercise and use its franchises for the benefit of the public. And when it voluntarily declines to do that, or places itself in a situation in which that may be prevented, as a consequence of its voluntary action, under the statute, as well as the decisions of the courts, its charter may be annulled at the suit of the Attorney-General. It was substantially for these reasons that the verdict was recovered against the defendant upon the trial. The defendant had disabled itself for exercising its functions and employing its franchises, as it was intended it should by the Act under which it was incorporated, and had, by the action which was taken, placed itself in complete subordination to another and different organisation, to be used for an unlawful purpose, detrimental and injurious to the public; instead of manufacturing its product and disposing of it to the public on what might be fair competitive prices, it had become a party to a combination, in part, at least, designed to create a monopoly and exact, from the public, prices which could not otherwise be obtained.

"This was a subversion of the object for which the company was created, and it authorised the Attorney-General to maintain and prosecute this action to vacate and annul its charter. The action was well sustained by the facts which the evidence supported, and the judgment, for the reasons already mentioned, as well as those assigned by the Judge, presiding at the trial, should be affirmed."

The case will probably go to the Court of Appeals.*

The confidence of the public in regard to trusts appears to be on the wane, if we can take the downward tendency of prices as proof of it. The Cotton Oil Trust, a very large association, at their recent annual meeting showed a result which gave very general dissatisfaction to the certificate holders, and resulted in the appointment of a committee to prepare a plan for changing the trust to a regular corporation. The property of this trust consists of the entire capital stock of 55 companies, which include crude oil mills, refineries, gins, fertilizing works, soap factories, and lard plants, a majority of the capital stock of 11 other companies,

* See p. 92.—Ed.

with practically the same outfit, and a minority of the stock of 4 corporations doing a similar business. All of this business has been bought originally for 42,185,228 dol. in certificates of the trust, and 1,640,741 dol. cash. The profits of the year ending August 31, were 1,655,783 dol., which were less by nearly 1,000,000 dol. than had been officially announced.

The committee made their report recommending a reorganisation of the trust, and at a meeting of the certificate holders, held on the 6th instant, it was proposed, and received the endorsement of over four-fifths of the entire issue, that the trust and the property and assets thereof be merged or incorporated into the American Cotton Oil Company, a corporation organised and existing under the laws of New Jersey, or that such trust certificates be exchanged or transferred for shares of the said company or otherwise as the reorganisation committee may deem judicious, upon the following general basis :—

American Cotton Oil Company to issue common stock to the limit of 21,092,000 dol. and 6 per cent. non-cumulative preferred stock, redeemable at 105 per cent., and secured by the shares of all companies received on such merger, limited to 15,000,000 dol., of which 4,454,000 dol., or any balance in excess of the amount required on the exchange, to be had, used, and disposed of by the directors for the purpose of the company. All stock entitled to like voting power.

The trust certificates to be exchanged for such new shares in the following proportion, viz :—

	Dollars.
For each share of trust certificates, 50 per cent. thereof in such new common stock	21,092,000
And 25 per cent. thereof in such new preferred stock	10,546,000

The leading trusts, known in New York, are :—The Sugar Trust, the National Lead Trust, the Distillers and Cattle Feeders Trust, the Linseed Oil Trust, the American Cattle Trust, the Standard Oil Trust, the National Gas Trust, the Milk Trust, the Rubber Trust, the Cotton Seed Oil Trust.

I have not heard of any new trusts being formed within my district recently.

Consul Clipperton to Sir Julian Pauncefote.

Sir, *Philadelphia, November* 5, 1889.

I have the honour to acknowledge the receipt of your circular dispatch of the 25th ultimo, requesting me to report on the scope, object and progress, or collapse of any recent important movements which may have taken place within this consular district as to the nature of trusts and monopolies.

In reply, I beg to state that there are but six trusts organised and in practical working condition within this consular district, viz., the Sugar Trust, the Standard Oil Trust, the Linseed Oil Trust, the Cotton Seed Oil Trust, the Lead Trust, and the Salt

Trust. These combinations of capital (except the Salt Trust, which has collapsed) are expansive in scope, practically exhaustless as to capital, and all-powerful in management and dictation in the respective branches of trade over which they rule. It is claimed for them that the intent is not to enhance prices to the consuming public at large, but to regulate the trade and render prices uniform, as well as to keep production in conformity with demand. On general principles, trusts, or combinations of manufacturing enterprises, are on a par with all incorporated companies where capital, skill and business capacity concentrated for accomplishing results on a scale so large as to be beyond individual effort. In such concentration there is an avenue open for the abuse of power, and an oppression of the public weal. Such extraordinary opportunities under the guidance of a single ruling force possesses powers for mischief, and fears exist in the public mind that mischief is the chief factor in the organisation and management of trusts. That abuse in some instances has occurred, there is no doubt. For instance, a combination in the silver-plated ware manufacture demands the "listing" of certain grades and styles, and they must be complied with by all manufacturers, those within and those without the combination, A refusal to do so would result in an immediate "freezing out" of the erring factory. This is done by a sudden and widespread drop in the prices of all the goods manufactured by the obnoxious party. In cases of this character the consuming public temporarily have cheaper goods, but in the end pay more for their ware than would be the case in a market open to general competition. On the other hand, however, the market is a stable one, and the fluctuations, so unwholesome in trade, are avoided. The object of these trusts is to control trade in their respective lines; to regulate the markets, prevent fluctuations and over-production; to ensure a certain and stable profit to the manipulators, and guarantee capital against the evils of competition.

As an instance of the equitable dealings of trusts, so far developed in this country, may be cited that of the sugar industry. A few years ago, refined, or white sugar, was beyond the reach of the labouring man, as the price was nearly double what it is at the present time. The Sugar Trust brought the industry up from the ruinous competitive prices wherein millions of capital were sunk, to a fairly remunerative standard, the actual increase in price being 2 cents (1*d.*) per pound. On this basis the trust rests, and will continue to do so, as the remuneration is satisfactory to all concerned, and the consumer's cost is about half what it was 15 years ago.

As to the progress of the trusts in existence here, they have been prosperous and remunerative to themselves, without becoming a burden upon the consumer. There is but one exception—the Salt Trust, which collapsed. The consumers, as a matter of course, pay the remuneration, and, as a class, rebel and cry out. But the bulwark of their security against absolute extortion on the part of trusts or monopolies, is the ever-constant readiness of

idle capital to sweep into any productive industry that is abnormally remunerative. The managers of trusts are fully alive to this fact, and, therefore, handle the advantages of consolidation of capital, skill and energy, within the bounds of reason.

It is believed by the enthusiastic advocates of "trusts" that the day is not far distant when the trusts in all trades and enterprises will be worked by one common ruling power. Such a gigantic scheme would be dangerous alike to the public and to the trust interest themselves, because partaking, as it would, of an element of communism, dissolution would follow, as dissolution and chaos have ever followed communistic ventures. Universal and absolute loss of individuality cannot be maintained.

Prejudices exist against trusts in the popular mind to a very considerable degree, and not without good reason. They are a combined power, which can devour capital, skill, industry, and the mechanical arts; their forces are so great as to be able to control trade, and to divert it; to regulate the markets, and to dictate to labour, skilled and unskilled. Have they done this? So far, in this country, they have not, and, until they attempt to do such things, popular prejudice will avail not. The same spirit of opposition existed against co-operative stores, trades unions, and other combinations; but they have lived through it, taken their respective stations in the world of traffic, and continue to perform their respective duties among the affairs of men.

A trust exists in a governing body of trustees, who meet monthly, having a governor or manager, who receives daily, weekly, and monthly reports. There are inspectors who visit the different mills or works of the trust, which are run by managers on salary and current expenses paid. When a manufacturer has decided to, or is forced to, go into a trust, his works are inspected and assessed by three or more inspectors, one of whom he has the choice of naming; his place is incorporated as a stock company, under the laws of the State in which it is located; the whole stock is then pigeon-holed in the archives of the trust, and the stock of the trust is issued to the proprietors, averaging about three shares to one of the proprietor's stock. The mill, foundry, factory, or refinery thus becomes the absolute property of the trust; is run on trust regulations; receives a dividend of four, more or less, per cent. annually, and the original proprietors are retained as managers on salary. The whole plant, however, is the property of the trust, who, possessing the stock of the concern, can change the management, and extend or curb the output wholly at their own discretion.

The capital stock of the various trusts is withheld from publicity; it is not "listed" on the monetary exchanges, and its intrinsic value is an unknown factor so far as the public are concerned, yet, so stable does it stand in financial circles, that loans are readily obtained upon it from banks at from 30 to 40 per cent. of the par value of 100 dol.

NEW YORK

Acting-Consul General Hoare to the Marquis of Salisbury.

My Lord, *New York, June* 25, 1890.

I HAVE the honour to transmit, for your Lordship's information, copies of an extract from the New York "Times" of this date, containing a report of the decision of the Court of Appeals of this State yesterday in the case of "The People of the State of New York v. The North River Sugar Refining Company," which affirms that of the Court below declaring "Trust" combinations illegal. The decision is a very important and wide-reaching one, adjudging, as it does—(1) That all combinations tending to limit production or enhance prices are illegal; and (2) that by becoming a party to such a combination a Corporation forfeits its Charter.

Copies of a leading article from the same paper on the subject are also enclosed.

I have, &c.
(Signed) W. R. HOARE.

Extract from New York "Times," June 25, 1890.

THE Sugar Trust Illegal.

AN Adverse Decision by the Court of Appeals.

THE Corporations forming the Trust had no Right to Combine under the Laws of the State.

Saratoga, New York, June 24.—In the Court of Appeals to-day a decision was handed down in the case of The People of the State of New York against the North River Sugar Refining Company, familiarly known as the Sugar Trust case. The appeal from the order of the General Term affirming the order of the Special Term, denying in part defendant's motion for a stay of proceedings, is dismissed and the judgment is affirmed, with costs. The decision was written by Judge Finch. The Judge says:—

"The judgment sought against the defendant is one of corporate death. The State, which created, asks us to destroy, and the penalty invoked represents the extreme vigour of the law. Its infliction must rest upon grave cause and be warranted by material misconduct. The life of a corporation is indeed less than that of the humblest citizen, and yet it envelopes great accumulation of property, moves and comes in large volume the

business and enterprise of the people, and may not be destroyed without clear and abundant reasons. This would be true even if the Legislature should debate the destruction of the corporate life by a repeal of the corporate charter, but is beyond dispute when the State summons its defender before its judicial tribunals, and submits its complaints to their judgment and view. By that process it assumes the burden of establishing the changes which it has made, and must show us warrant in the facts for the relief which it seeks.

"Two of the charges preferred in the complaint have dropped out of sight. They were of little importance, and have been prudently dismissed from the inquiry for that reason, and we are left to consider the grave and serious accusation to which alone the proofs and arguments have been directed. That accusation is adequate to the purpose for which it is framed, but upon two conditions, which dictate the line of inquiry and limit the area of discussion. It appears to be settled that the State as prosecutor must show on the part of the corporation accused some sin against the law of its being which has produced or tends to produce injury to the public. The transgressions must not be merely formal or incidental, but material and serious, and such as to harm or menace the public welfare. For the State does not concern itself with the quarrels of private litigants. It furnishes for others sufficient courts and remedies, but intervenes as a party only where some public interest requires its action. Corporations may, and often do, exceed their authority wherein their private rights are affected. When these are adjusted, all mischief ends and all harm is averted. But where the transgression has a wider scope and threatens the welfare of the people, they may summon the offender to answer for the abuse of its franchise or the violation of its corporate duty. The Code of Civil Procedure authorises an action for that purpose when the corporation has 'violated any provision of law whereby it has forfeited its charter or become liable to be dissolved by the abuse of its powers.'"

A number of recent decisions in keeping with this line of policy are here quoted. He continues:—

"Two questions therefore open before us—first, has the defendant corporation exceeded or abused its powers? and second, does that excess or abuse threaten or harm the public welfare? We find disclosed that it has been an integral part and element of a combination which possesses over it an absolute control, and dictates the extent and manner and terms of its entire business activity. All its stock is in the central association, denominated a 'Board of Trustees,' and consisting of only eleven individuals, who took and distributed to its own stockholders certificates of the board carrying a proportionate interest in what it describes as its capital stock. The defendant corporation has lost the power to make a dividend, and is compelled to pay over its net earnings to the master whose servant it has become. Under the order of that master it has refused to refine sugar, and by so much has lessened the supply upon the market. It cannot stir unless the

master approves, and yet is entitled to receive from the earnings of the other refineries, amassed as profits in the treasury of the board, its proportionate share for division among its own stockholders, who now own the substitute certificates. In return for this advantage it has become liable to be mortgaged, not for its own corporate benefit alone, but to supply with funds the controlling board when that board reaches out for other coveted refineries. All of this is admitted by the defendant.

"The question to be determined is whether the corporation became the servant of the board by its own voluntary action or through the will and power of others. If what has happened is ascertained to be that the stockholders of this corporation, one or many, sold absolutely to the board their entire stock, and the latter have merely chosen directors in their own interest and are managing the property as absolute owners may, then it is difficult to see wherein the corporation has sinned or what it has done, more than for a time to omit to do business. This is the appellants' theory.

"On the other hand, it is contended that there never was a sale, but a trust constituted by mutual agreement; that they who agreed were the whole body of stockholders, in each corporation, necessarily representing and binding the corporation itself; that they transferred their shares to the board upon the trusts declared in the deed; that the certificates issued by the board were the formal declaration of the trust; that the corporate stockholders parted with the legal title of their stock to the chosen trustees with the power to vote upon it, but retained its beneficial ownership through the operation of the certificates, and so the corporation entered into partnership with the Board of Control."

In construing these two theories the court says that in contracts the buyer, which in this case was the board, should bond itself to a term of sale, but, according to the stockholders, this was not done, the board fixing no price. In this case the stockholders alone fixed the price, and the vendees did not sign the contract, but left it to be supplied by inference of their action. The stockholders allowed the board, however, to fix the price of the corporation's personal property. In the light of these events the board was simply an agent, which is the characteristic of a trust. The action which placed the stock in the hands of the Board of Trustees shows that no sale was intended, but simply a transfer in trust. This is also proved by the mortgage clause. No absolute owner requires any permission whatever to mortgage his property, but here in their control the supposed buyers are authorised to put a mortgage on the property of this corporation. Notwithstanding that the board itself had no capital or power to mortgage property, we find twenty refineries willing to put themselves under its control. It is conceded that this constitutes a trust.

A résumé of the proceedings on the part of the corporation preparatory to its joining the trust is then given. The Judge says:—

"The history shows that there was corporate action on the part of the North River Sugar Refinery Company which bound it. The corporation thus became an element of the trust. The way the companies could have prevented the trust being founded was by refusing to register or to recognise the illegal transfer of that stock, and they should have refused to register the transfer upon their books, appealing to the law to sustain them, thus shattering the trust at the outset of its career. To be lawful all corporate acts should have been done by all of the various company stockholders and trustees instead of by the Board of Trustees alone. The question to be determined is whether the conduct of the defendant in aiding to form the trust was illegal. In all of these points which have been reviewed it is found that the corporation was doing the public an injury, and in avoiding the State law which compels reservation of corporate rights had proved unfaithful to its charter. It is a violation of law for a corporation to enter into a partnership (as shown in the case of Whittenton against Repton, 10 Gray, 596) which furnishes the reasons at length.

"If the trust had been properly formed as a corporation under the laws the twenty separate companies would have been dissolved and not have remained in existence as in this case. The present corporation or trust puts upon the market a capital stock proudly defiant of actual values and capable of unlimited expansion. It is one thing for the State to respect the rights of ownership and quite another thing to add to the possibility of a further extension of those consequences by creating artificial authority in the management of such aggregations. If corporations can combine and mass their forces in a solid trust with little added risk to capital already in without limit to magnitude, a tempting and easy road is open to enormous combinations vastly exceeding in number and strength any possibilities of individual ownership. The State seeks to protect individuals rather than combinations."

Concluding, the opinion says:—

"The defendant corporation has violated its charter and failed in the performance of its corporate duties, and that in respect so material and important as to justify a judgment of dissolution. Having reached that result it is needless to advance into the wider discussion over monopolies and the problem of political economy. The duty of this court is to leave them until some proper emergencies compel their consideration. Without either approval or disapproval of the views expressed by the court below we are enabled to decide that in this State there can be no partnerships of separate and independent corporations, whether directly or indirectly, through the medium of a trust, no substantial consolidations, which avoid and disregard the statutory provisions and restraints; but that manufacturing corporations must be and remain several as they were created or one under the statute.

"The judgment appealed from is affirmed, with costs."

All concur.

The Effect of the Decision.

Nothing now left for the Association to do.

General Roger A. Pryor was jubilant yesterday morning when a "Times" reporter saw him at his office. He had just gotten his second dispatch from Saratoga notifying him of the affirmation by the Court of Appeals of the Special Term's judgment finding the Sugar Trust an illegal combination, and that the North River Refining Company had forfeited its charter by becoming a member of it.

This decision, General Pryor said, sounded the death-knell of the monopolistic trust. It meant that the highest court in the State had deemed it an illegal combination, and therefore that it could not exist as an association doing business. The suit against the North River Refinery Company had been brought as a test case in the fight against the trust, and the fight had been successful. All the points of law involved in the whole case had been brought out, argued, and finally passed upon in this suit, and there was nothing left to do on the part of the opposers of the trust but to go ahead and fight the other members of the trust in the same way.

The next step, in General Pryor's opinion, would be for the Attorney-General to begin suit against the other members of the Sugar Trust for the forfeiture of the charters of such of them as were corporations, and for the ultimate dissolution of the trust itself. Of course, General Pryor said, he did not know exactly what course the Attorney-General would pursue in the matter; it was simply his opinion that individual suits would follow. Havemeyer and Elder, a corporation and the keystone of the Sugar Trust arch, would probably be the next member to be proceeded against. There were no new points of law to be decided in such a suit, and if it lost the corporation would probably not appeal it.

The North River Company would, under this Court of Appeals decision, simply go to pieces. Its stock, now in the hands of a receiver, would be divided among the stockholders, and that would be the end of the concern. While this decision nominally affected that company alone it was the severest blow the Sugar Trust had ever been dealt, and would ultimately result in its complete overthrow.

How Wall Street took it—in the face of the decision Trust Stock went up.

The stock market had just opened yesterday when the announcement came from Saratoga that the Court of Appeals had affirmed Judge Barrett's judgment in the famous case where the Sugar Trust was declared to be "a criminal enterprise." Such a decision did not very much surprise anybody, and it gave the market a boom. Just such a finding has been long counted

on. Indeed, for weeks past it has been bulletined. Politicians and speculators close to politicians have been professing for a good while past to know all about it. A fortnight ago one of the leading commission houses on the Stock Exchange was imposed upon by a Saratoga dispatch declaring exactly what yesterday came true. On more than one day sensational rumours concerning the decision have sent every trust quotation flying, and demoralised all the rest of the market.

When Sugar Trust stock was introduced to Wall Street it was given a market quotation of something like 75 dol. per share. Big dividends, lots of inside boasting, and smart manipulation lifted the price higher. It went up, and up, and up; everywhere there were points to buy it. It was bound for 200; it did cross 125. Then with precious little ceremony it went plump to 50. Litigation and threats of receivership—but what was much more effective, inside selling—figured in the factors that made this great slump.

Lately the insider has been in that line of Wall Street industry called on the Stock Exchange "milking the market," and known in franker and less polite circles as the game called bunko. Lifting quotations one day to induce buying, dropping them the next day to do the buyers up. Nothing else in the stock market has compared to it in liveliness. Tens of thousands of shares are often dealt in daily. Fluctuations have not been counted by humdrum eighths. One day there was a drop of thirteen points at a clip. Frequently there have been fluctuations of half a dozen points a day. In the two hours of business last Saturday—when yesterday's decision was bulletined by speculators all over Wall Street—there was a slump of over seven full points, the opening price being over 76 and the closing 69.

Monday afternoon the closing quotation for Sugar Trust was about 71; yesterday it opened at 72. There were already explicit forecasts of the decision in the Street. "It's a fictitious boom to sell on," declared the abounding wise men, and the speculative contingent, reckless enough to have anything to do with such dynamitic stuff, tumbled over one another in anxiety to sell out or get "short." The quotation, instead of dropping, rose. It acted just as if the greatest benefit possible had been reaped for it. It jumped up, not a fraction merely, but four points; from about 70½, to which it went on early sales, it ran gaily up to 74½. The Street stood amazed.

There were even reports abroad that no decision at all had been rendered. This hope even induced buying by traders, who, earlier in the day, had made "short" sales, but before the day ended that contingent was in mourning again. From the advanced figure where they bought there began a dwindling process, and in a jiffy the price was down to 72, just where it started in the morning.

Extract from New York "Times," June 25, 1890.

THE Fall of the Sugar Trust.

The memorable decision of Judge Barrett has at last been affirmed by the court of last resort, and the people have won their suit against the Sugar Trust. We suppose the result was foreseen by all who were acquainted with the laws of New York concerning the powers and duties of corporations and with the facts disclosed in the proceedings, for the statute is clearly expressed and the prosecution was based upon facts that were admitted by the defendants. Still, because so much was said by counsel about the illegality of combinations designed to suppress competition, and because certain journals have foolishly sought to lead their readers into an expectation that the agreeing decisions of many years and of all the superior courts in this country were soon to be upset by some notable departure in the direction of State socialism, some persons may have thought that the Court of Appeals of the State of New York might open a new era with a declaration in support of the teachings of trust-makers and their tools.

In this suit the people, through the agency of Attorney-General Tabor and his able assistant, General Roger A. Pryor, asked that the charter of one of the corporations that had gone into the Trust—the North River Refining Company—should be taken away upon the ground that the corporation had violated the conditions under which the charter was granted. The statute says that the Attorney-General shall bring an action to vacate the charter of a corporation:—

"Whenever such corporation shall violate the provisions of any law, by which said corporation shall have forfeited its charter by abuse of its powers; or whenever it shall have forfeited its privileges or franchises by failure to exercise its powers; or whenever it shall have done or omitted any act which amounts to a surrender of its corporate rights, privileges, and franchises."

Every sugar-refining corporation, holding a charter granted by this State, that went into the combination known as the Sugar Trust, by that act clearly violated the statute and invited the annulment of its charter. It was shown in this case that the North River Company had surrendered all its powers to a group of persons who were not its officers, but who absolutely controlled it. The corporation had ceased to refine sugar at the command of these persons. It had lost the power to declare and pay a dividend. It had even authorised these persons to mortgage its property for the benefit of other companies. Moreover, by thus becoming the servant of this group it was doing injury to the people who had given a charter to its stockholders.

The judgment of the lower court by which the charter was annulled has been confirmed for the reasons above stated. The Court of Appeals did not find it necessary to go deeply into the question as to the illegality of the combination itself. But

it will not be overlooked that the court finds that in entering the combination the North River Company "was doing the public an injury." The opinions of this court concerning combinations designed to suppress competition are on record in more than one important case. In this case the clear violation of the statute in itself was enough to warrant the annulment of the charter, and the court stopped there.

It will now be the duty of the Attorney-General to bring suit against every other New York corporation that has become a part of the Sugar Refineries Company or Sugar Trust. In each case the charter has been forfeited and should be reclaimed. It is also his duty to proceed in the same way against the several New York corporations that are parts of the Standard Oil Trust as well as those that have entered the National Lead Trust.

It will be recalled that while a suit like this one was pending in California, the defendant being a Californian corporation that was a part of the Sugar Trust, the property of the corporation was sold or assigned to certain individuals who are officers of the Trust, or to one of the other corporations in that organisation. Similar action was taken with respect to the property of certain corporations in Louisiania that were controlled by the Cotton-seed Oil Trust, and against which the Attorney-General of that State had brought suit upon grounds like those set forth in the suit of Attorney-General Tabor against the North River Refining Company. It may be that the other corporations in the Sugar Trust will seek to evade the penalty of impending prosecution by taking similar measures, if an injunction now in force shall not stand in the way. It is known that the Legislature of the State of Connecticut has kindly undertaken to protect the organisation which the courts of this State describe as "a criminal enterprise" by giving to persons representing it a charter, and it is predicted that under this charter, or under another one procured in the accommodating State of New Jersey, the Trust will strive to reassemble its parts. It remains to be seen whether this course can be easily and safely followed. We shall watch with interest the movements of these trustmakers, for it was at the suggestion of the "Times" that the test suit now carried to a final decision was brought.

The question, so far as the use of corporate charters is concerned, is, whether the people, acting through their Legislatures, will grant charters to be used to their own hurt, or whether they will permit charters already granted to be used to their own injury. It is plain that the people will not do this consciously and willingly. But combinations may take advantage of their failure to understand the issue or of the faithlessness of their elected representatives. The new few years will see the enactment of new and important legislation concerning the granting and the use of corporate charters.

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